

MARCH, 1940

VOL. 4, NO. 121

THE BRIDGE

OFFICIAL PUBLICATION OF
THE CREDIT UNION NATIONAL ASSOCIATION



THE WAY TO ECONOMIC BETTERMENT

The BRIDGE

THE WAY TO ECONOMIC BETTERMENT

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March, 1940

Vol. 4, No. 12

C. U. N. A.

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Composition and makeup done by members
of Typographical Union No. 16.
Engravings made by members of
Chicago Photo-Engravers' Union No. 5.

The BRIDGE is published monthly by the CREDIT UNION NATIONAL ASSOCIATION at 4600 Diversey Avenue, Chicago, Illinois. Editorial offices are located at 1002 Lincoln Park Drive, Decatur, Ill. J. E. West, Advertising Manager, 360 N. Michigan Ave., Chicago, Ill. Communications having to do with subscriptions, should be addressed to 4600 Diversey Avenue, Chicago, Illinois or to Charles G. Hyland, Raiffeisen House, Madison, Wisconsin. Entered as second class matter August 3, 1938, at the Post Office at Chicago, Illinois, under Act of March 3, 1879. Copyright 1939 by CREDIT UNION NATIONAL ASSOCIATION. Subscription rates, single copies 10c; yearly subscriptions \$1.00.



LIBERTY

GOAL

"We believe that money should be used for the benefit of the people to whom it belongs."—Roy F. Bergengren.



HOME

PRICELESS SERVICE

IT IS TYPICAL

"We were the first Credit Union to organize within our city.

"We soon discovered that there could be no hard and fast rules governing the operations of a Credit Union, but that each must regulate itself to the best advantage compatible with its personnel and affiliations.

"We would like to believe that we have been of some slight benefit to the Unions following us.

"That our experiences have perhaps assisted somewhat in their organization.

"We express the hope that we shall always be considered in the future as a source of help and advice, limited only by our knowledge and experience.

"We do not believe that figures of dollars and cents can measure the accomplishments of a Credit Union. There are other advantages far beyond the scope of the dollar sign that are accrued by the activities of a Credit Union.

"Our desire and ambition to accomplish the objective of a true Credit Union are expressed thusly: 'THE GREATER THE NEED, THE MORE FREELY IS CREDIT EXTENDED.'"

—The International Harvester Works
Employees Co-operative Credit Society,
Hamilton, Ontario.

A MONTHLY MAGAZINE DEVOTED TO THE CREDIT UNION MOVEMENT

WHAT GUIDES YOUR CREDIT COMMITTEE, CHARACTER?

By Arthur E. Cook

The author of this article is a member of the Credit Committee, St. Louis Telephone Employees C. U. His article, we feel, is a sound approach to the subject.

The Green Signal

In answer to the article in the OCTOBER BRIDGE entitled: "Something to think About," I am submitting the following for whatever it may be worth.

It seems as though the entire matter centers on the questions of making *small* loans without a comaker, because large loans *must* be secured. In this discussion we will consider *all* loans. We will start by attempting to answer the questions at the beginning of the article.

1st. Is character security? Character is the most valuable security in existence.

2nd. What is security? Security is something valuable which guarantees the repayment of the loan.

3rd. Is a good service record security? Yes, but to a very small extent as compared with Character.

4th. Are all members to be placed in the same category? A person should be judged and treated according to what they *are*, and in *no other way*, and this would certainly *not* put them all in the same category. Treat all members according to the record they have, not according to what they themselves may *say*, or what they themselves may *think*, but according to what they have *done*, which constitutes their record. *Character makes our records!*

Let Merit Decide

A Credit Committee *never* has any reason to be 'tight'. Each case should be handled on its merit. If applicants' record is no good, tell them so, but don't beat around the bush and say, "We must have a comaker on every loan, it's a rule," or some other *excuse*, which will not hold water. A member who can *think* knows that you are only passing the buck.

A Credit Committee has only a few simple rules to follow in any case, and if they are strictly adhered to, there need be no worry over the outcome.

The Credit Committee should be more concerned about the *biggest* problem which confronts Credit Unions, and that is: *too much cash on hand*. The job of the Credit Committee is to *keep the money moving*. In order to accomplish this, it must *first* be loaned out. The next step, of getting it back, is not as difficult as loaning it out.

First

The first thought of the Credit Committee when considering an application should be: If we grant this loan, will it help the member? And by that we mean; Will it make the member a little stronger, or will it make life a little more pleasant for someone, will it lighten the load a little, or will it help to increase the standard of living of the member, and if there is any doubt about the answer to those questions, let's give the member the benefit of the doubt. Unless the Credit Committee is *Positive* the loan will *not* be of advantage to the member, they should by no means decline to make the loan because of *their* doubt in the matter.

Second

The second thought should be: Has the Credit Committee any reason to believe that this loan will not be repaid? Then, upon deciding that there is no reason why it will not be repaid, the only remaining act of the Credit Committee is to see that ample security is offered to satisfy the demand of the law under which the Credit Union is operating.

Bad Loans, Scarce. Why?

Let the Credit Committee ask themselves this question: How many bad loans has our Credit Union made since it was organized? The answer is: Very few. Now, this question; *Why* is the percentage of bad loans so small? Do you think for one minute it is because you have demanded comakers on the notes, or because you have been certain to get plenty of security?—No Sir! *The percentage of bad loans is so small because the percentage of bad people is so small.*

Always remember—in the Credit Union we are dealing with human beings, people just like ourselves, and therefore the percentage of bad loans will *always* be very small, and *I personally believe that this would be true if we were not required to have any security on a note other than the word of honor of the borrower*. I believe it all boils down to this:

How can we expect others to have faith in us, if we have no faith in others?

MEET A NATIONAL BOARD MEMBER



J. C. HOWELL
OF DETROIT, MICH.

A Bit of Personal History

Born December 8, 1885, at Galt, Ontario.

Brought to Michigan by his parents when he was two years of age.

Is a naturalized citizen of the United States.

Lived on a farm in central Michigan until after graduation from high school and has a very vivid memory of the days of the lumber industry in the state.

After graduation from high school stayed at home and worked on the farm for a year. Then entered business college with the idea of becoming a bookkeeper. Three years later forsook office work to combine teaching with an effort to gain a college education. Except for a few months spent in the office of the J. I. Case Threshing machine Co. of Racine, Wis., has taught continuously since 1905.

As a business college student, was keenly interested in banking. While at the head of the commercial department of the Wichita, Kansas, High School spent two summer vacations working in a bank. The cashier said, "Some day you will have your own bank." This prediction is not likely of fulfillment but it was this interest in banking which resulted in active participation in the organization of the Detroit Teachers Credit Union of which he has been the treasurer-manager since its beginning in 1926.

During the working part of each day "J. C." functions as Head of the Commercial Department of the Cooley High School of Detroit. Holds the degree of B. S. in Education, but is more interested in economics than in education.

In Credit Union work he is:

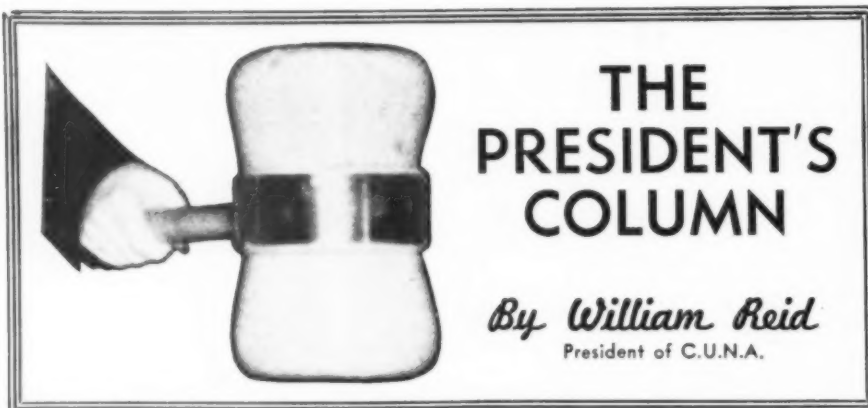
Treasurer - Manager, Detroit Teachers Credit Union
Governor, Detroit Chapter
Director, Michigan Credit Union League
Director, Credit Union National Association

Religion: (Liberal) Baptist.

Politics: (Progressive (somewhat)) Republican.

Has a wife, son, two daughters, grandson and a dog.

Is very popular—with the dog,—says "J. C."



Executive Committee Meets



Wm. Reid

THE SELECTION of New York for the Executive Committee meeting on February 2nd and 3rd evidently was a happy one. The weather was perfect—no sign of snow here—and substantial progress was made with respect to our many problems, the visiting committee members seemed to have an enjoyable time.

Mutual Board Acts

Last month I indicated that the Cuna Mutual Board had decided to engage a consulting actuary to survey the entire financial structure of our insurance company.

Mr. Edward Shanney, Second Vice-President of the Cuna Mutual Society, was designated as a committee of one by Mr. John Moore, the President of the Society, to see if it was possible to obtain the assistance of someone connected with the Savings Bank Life Insurance Plan in Massachusetts. This was a particularly fortunate decision because of two things: 1. The Massachusetts Savings Bank Plan has been in operation for many years, thereby giving those in control an important background of experience, and 2. The operations of the Massachusetts Plan are more nearly comparable with our situation than any other type of organization.

Mr. Shanney interviewed Mr. Judd Dewey, the gentleman who for the past several years has supervised Savings Bank Life Insurance in Massachusetts and who, together with the actuary in his department, was furnished with material by us to enable them to make a preliminary study of our affairs. This study made it possible for Mr. Dewey to familiarize himself sufficiently to make a report at the New York Meeting, which he did. I am sure all the members of the Board, as well as others who attended the meeting, are certain that the study with respect to our affairs is in most capable hands. When the study has been entirely completed, recommendations will undoubtedly be made with a complete

knowledge of our peculiar problems and on sound financial and actuarial needs.

Mr. Dewey presented sufficient facts to convince all that there is nothing fundamentally wrong with the organization's present structure and, altogether, made such a capable and understandable presentation as is rarely one's privilege to listen to.

Propose Change in CUNA Laws

I suggested several amendments to the existing constitution and by-laws. The one which will probably excite the most interest and debate has to do with eligibility of credit union members to represent their state as National directors. The present provision of the law is "each National director must be a member of a credit union in good standing with the member organization". I suggested there be added to this section, the following—"but no member who is a full time managing director or a full time employee of a state league or who is a full time employee of a credit union shall be eligible for election as a National director".

It should be noted that the proposed amendment would only eliminate those persons whose *full time* is devoted to credit union affairs. That is to say, there is no elimination of managing directors who are on part time basis or league employees who are on part time basis or, for instance, credit union treasurers who are on part time basis.

My belief is that people who are day in and day out working in the credit union movement and are making a livelihood therefrom as employees are undoubtedly in a position to obtain experience and furnish advice gained from that experience to boards of directors and, wherever possible, should attend the National director's meetings. If a board feels that, because of experience and advice from such individuals, changes should be made, the suggestions of course can be acted upon. However, employees are required for the purpose of seeing that policies are carried out and therefore should have nothing to do with determining what those policies should be.

A rule has already been laid down that no employee of the National Association

may be on the National Executive Committee and I believe that is a good rule. I believe, too, that it is well to eliminate all full time employees from the National board. No one who is dependant on the credit union for a livelihood can act in an unbiased way. The intention of these persons may be perfectly sincere and they may feel they are acting in an unbiased way but, as a matter of fact, they cannot humanly do so.

I am convinced that a state league which is financially strong enough to employ a managing director contains more than a sufficient number of interested credit unionists with ability to allow of the selection of National directors from among others than full time managing directors or full time employees.

I am suggesting this change because I am firmly convinced that it will prove to be to the best interests of the movement as a whole and with the knowledge that my recommendations will be misconstrued. The elimination of National Association employees from the board has proven the soundness of the action taken. It may be that the National Board at the next meeting will not approve of this recommendation but I venture to predict that if the action recommended is not taken at the 1940 meeting it will be taken before many more years go by. This organization is no different than any other and employees have never successfully both established policies and carried those policies into effect.

Educational Director Reports

Among the very interesting reports that were received and considered by the Executive Committee was one of Mr. J. Orrin Shipe who, under Mr. Doig's direction, has charge of the educational activities.

Among other things, he said—"we are cognizant of the fact that the credit union movement is crying for educational ideas and assistance, however, we refused to tackle the problem in a hit or miss manner. Therefore, since other organizations in the cooperative movement have long had educational departments, we have established contact with these organizations and by studying their methods and progress we are learning much, and we hope to benefit by their experience. The Federal Credit Union Section has had an educational department for the past two years, which has been under the able direction of W. E. Allen. We are happy to report that Mr. Allen and the Section have been very friendly and helpful."

"Closer contact between league managing directors is essential for obtaining the cooperation and coordination necessary for the building of a progressive, democratic, efficient and economical movement."

"The Educational Department conducted a conference for this purpose in (Continued on page 70)

WHAT WOULD YOU DO? EVERY TREASURER HAS ANSWER

By JAMES W. BROWN

Treasurer, El Segundo Standard Employees C. U.

A few situations and problems that confront a Credit Union treasurer.

"I can't pay on the loan now. Since being laid off I have been working on odd jobs and only making enough for my family to eat."

"I can't make a full payment this month. The old lady busted her false teeth, and she had to buy a new plate."

"Can I get another \$50 on my loan. My daughter broke her arm and my wife has been under the doctor's care for sixty days."

"I wrecked my car and must have it fixed to come to work. Can you give me a little more time on my loan?"

"I got delinquent because my father had to have an operation and I was the only one in the family with a job."

What would you do at a picnic if a tricky, delinquent borrower waved a bottle of whisky in the air and invited you to take a drink? Would you take a swig and forget the credit union troubles? (I didn't, my wife had hold of my arm.)

"I want to put all my money in the credit union. Also open trustee accounts for little Johnnie, Willie, Sammy and Maggie, my children. We've heard you are paying 6% dividends and we are only getting 2% interest. But first I would like to ask you a few questions: Do you guarantee the 6% dividends? Is our money absolutely safe in your credit union? How can I be sure you will not loan the money to worthless borrowers? Are all the officers trustworthy? What previous experience have you had in handling money?" (This prospective member was assured that next to death and taxes credit unions was the surest proposition.)

"I got your darling dividend check. Your credit union is simply marvelous. I would like to give you ten thousand kisses." (The treasurer immediately checked up her address.)

"You can't go back to the Credit Union office tonight. I want you to take me to see 'Gone with the Wind.' Think of seeing Clark Gable and Vivien Leigh in the movie from this wonderful novel, and all in technicolor. I am thrilled to death. You don't mean to tell me you prefer to post figures to stupid credit union ledgers than to take me to this great film? (Did the treasurer turn his wife down? What would you do?)

FRONT COVER

By

ERIC E. STONE

Member

20th Century-Fox Credit Union

To the emerald Isle, where our kindred
are dwelling,
And where the remains of our fore-
fathers sleep,
Our eyes turn today. . . .

—John Pierpont.

HELP! HELP!

(Your editor will appreciate practical solutions to the problem set forth below.)

My dear Mr. Long:

I notice in the February issue of *The BRIDGE* in your column, "Between You and Me," a comment on family budget.

I read that column with considerable interest. It just happens that in the Credit Union Study Club which is a very informal group, we are now discussing the question of budget. I should be very much interested and very much obliged if you could give me some information on making up a budget for an individual in a family. I have never seen such a budget suggestion, or is it the impression that some of us who are not family people have no trouble with our budget.

If that is the popular impression, allow me to say that a great many of us would like to have some suggestion about budgets for single people who live away from their own family.

Thank you very much for any information which you can send.

Very sincerely yours,

ERMA R. BISHOP.

St. Louis, Mo.

Thanks!!

Hubert Rhodes of CUNA reports 70 new subscriptions to *THE BRIDGE* from the Raleigh P. O. Employees' Credit Union. The credit union paid half the cost, and the individuals the other half. That's a good idea to try in your credit union.—From the N. Carolina-Virginia Credit Union News.

The Jamestown (N. Y.) Post Office Employees' Credit Union adopted a resolution for 17 subscriptions to *THE BRIDGE* for the Board and one copy for the Public Library. This according to word received from Managing Director Stahl of the State League.

At the annual meeting of the Armour Employees' Credit Union of Sioux City, Ia., an Educational Committee of 30 members was set up. This credit union subscribed to *THE BRIDGE* for the entire committee and in addition for all the officers.

Washington Credit Union League in its paper, "The Journal," says in part: "Your subscriptions to *THE BRIDGE* does two things—increases your knowledge and makes possible more pages and information. Every credit union should receive not less than five copies."

But heaven and earth, and saints and friends and flowers,
Are keeping Easter Day!

—Unknown.

THE BRIDGE—March, 1940

BETWEEN YOU AND ME

Hello Folks:

We like the following from "The Sentinel" published by St. John's Parish Credit Union in Waterloo, Ia:

A FRIENDLY TIP

Pennies make dimes and dimes make dollars,

If you don't know that, you're a pretty poor scholar.

So save your pennies for a rainy day,
How? Why, the Credit Union way.

It's easy to open a saving's account,

A dollar will do it when you have that amount.

So count up your pennies, dimes, quarters too,

And start that account at Saint John's C. U.

—Patricia Casey, seventh grade.

* * *

"Those who know the truth are not equal to those who practice the truth."

* * *

We are informed that in 1937 the personal finance companies loaned 660 million dollars to some 4,600,000 persons. And that on June 30th, 1939, there were 4,036 licensees in the business. Something to think about?

* * *

"The average American thinks not so much about sharing the wealth as he does about sharing the opportunity to work."

* * *

What do you make of this: in Ohio it was estimated by the middle of 1939, the people were indebted to licensed lenders alone about \$9.00 per capita or over \$60,000,000. Further that the total per capita debt—bank personal loans, sales financing, credit unions, retail open accounts and all agencies of this kind—was between \$45 and \$50, nearly \$300,000,000 for the population; per family an indebtedness of about \$200.00.

It is stated the average outstanding term of loans to licensed lenders is 6 years in Ohio.

In Maryland the report indicates every man, woman and child owes, as an average, \$6.00 to the licensed lenders; over \$10,000,000 for the State.

* * *

"The most devastating emotion in human life is hate and the next most destructive and paralyzing is fear."—John D. Rockefeller, Jr.

'til next month.—RGL.

What About It?

Readers are invited to Submit Questions on any Credit Union Problems and also to give us your frank reaction on the answers, whether you agree or disagree with the Editor.

By TOM DOIG

Federal Credit Unions Exempt From Social Security Tax

Many inquiries have recently been received regarding the effect of changes in the Social Security Act on Federal Credit Unions. We are therefore setting forth below a copy of a letter addressed by Mr. Milton Rygh, Assistant Director, Credit Union Section, to Mr. William Reid, President of the Credit Union National Association covering this subject.

January 3, 1940

Mr. William Reid, President
Credit Union National Association
Raiffeisen House
Madison, Wisconsin

Dear Mr. Reid:

I am pleased to discuss the applicability of the Social Security Act to Federal credit unions, as requested in your letter of January 2, 1940.

As you know, until the recent amendment of the Social Security Act the question was well settled that Federal credit unions were exempt from payment of this tax since they are considered as instrumentalities of the United States and the Act specifically exempted such instrumentalities from its operation.

However, on August 10, 1939, an amendment was passed to the Social Security Act which re-defined the term "employment" and as a result a number of inquiries have been made regarding the effect of this amendment on the exemption of Federal credit unions for payment of the tax. A close study of the amendment, however, indicates that paragraph (6) of section 209 (b) excepts "service performed in the employ of the United States Government or of an instrumentality of the United States which is (A) wholly owned by the United States, or (B) exempt from the tax imposed by section 1410 of the Internal Revenue Code by virtue of any other provision of law." An amendment to section 1426 of the Internal Revenue Code contains the same provision.

Section 18 of the Federal Credit Union Act, as amended (section 1768, title 12, U. S. Code), exempts Federal credit unions from all taxation "now or hereafter imposed by the United States or by any state, territorial, or local taxing authority; except that any real property and any tangible personal property of such Federal credit unions" shall be subject to taxation to the same extent as other similar property is taxed. This provision in the Federal Credit Union Act brings Federal credit unions within the exemption from the Social Security tax granted under clause (B) quoted in paragraph (6) above of the Social Security Act.

Therefore, Federal credit unions continue to have exemption from the Social Security tax, and service performed by employees of these organizations is excluded from the term "employment" as used in the Social Security Act.

It should be pointed out that the above is taken from an opinion of our legal department and represents approximately the same information which we have been giving to Federal credit unions who have made inquiry on the subject since the passage of the amendment to the Social Security Act on August 10, 1939.

Please accept my kind personal regards and best wishes from the Credit Union Section for a prosperous new year.

Very truly yours,

MILTON RYGH, Assistant Director
Credit Union Section

WHAT'S WRONG?



Tom Doig

QUESTION NO. 1. ILLINOIS. What is the matter with a credit union that has never paid less than a six per cent dividend and this year paid six per cent and could have paid eight and one half per cent, with gross income of approximately \$1400. They

carry the loan insurance and subscribe to the BRIDGE for the directors. Last year they paid their treasurer \$50 and this year \$65 and yet some of the directors, large stock holders and a few other members think that this is too much. The condition of the credit union books was highly commended by the State auditors office each year. Thanking you in advance for your answer and solution to this problem.

ANSWER: You asked what is the matter with a credit union that has never paid less than a 6% dividend and this year paid a 6% dividend and could have paid 8½%. I cannot see that there is very much wrong with your credit union. The main difficulty seems to be that you believe that your earnings are too great for the amount of dividend and the amount of expenses.

I am judging from your financial statement that inasmuch as you have 50 borrowers, your membership must be close to 100. At the end of the year your loans, amounting to \$13,175.00, were excellent compared to the amount of cash on hand. From all indications, your credit union is very progressive inasmuch as they have subscribed to the BRIDGE for the directors and are taking AA-WD loan protection insurance.

I think the credit union is to be complimented except for one point, and that is the salary that is being paid the treasurer. I would suggest a minimum salary of \$10.00 per month, although a more equitable salary would be \$15 per month or \$180 a year. This, of course, would increase your present salary about 3 times, but taking into consideration the number of loans to members and your assets, I believe the \$15 figure more in line with the experience of other credit unions.

I might suggest that if your group would consider share savings insurance at the rate of 65c per month per thousand dollars of savings, this would give the members an additional dividend in the form of life insurance. A circular on this subject can be obtained.

PAID OFFICERS

QUESTION NO. 2. NEBRASKA. Our second question is vitally connected with the first in that if the former By-Law is amended to include these three employees, what effect will it have on Article IV, Section 4, which reads:

"No officer or other member of the Board of Directors, or member of either Credit or Supervisory Committee shall receive compensation for his services, except that the Treasurer may be paid in such amount and at such time as the members, at an annual meeting may determine."

Last week at the Annual Meeting of our members we elected the formerly Armour employed clerk to the Board of Directors. We are unable to arrive at the original intention of the writers of this By-Law, and the question now arises whether or not any clerk of our

Union can be eligible to hold the office of a Board of Directors or Supervisory Committee, inasmuch as they draw their full pay from the Union.

Aside from the technical aspects of the case, is it good Credit Union practice to do so inasmuch as the clerk in question could presumably be elected to the office of President or Vice-President and be empowered to countersign checks?

ANSWER: Apparently the By-Laws of your Credit Union differ a little from standard By-Laws. Standard By-Laws provide "no officer or other member of the Board of Directors, or member of either Credit or Supervisory Committee shall as such receive compensation..." Under this form of By-Laws the secretary of the credit union could not be paid as secretary but could be paid as a clerical employee. Under your By-Laws as drawn, the clerical employees of your credit union with the exception of the treasurer may not serve on the Board of Directors, Credit or Supervisory Committee.

There would be no harm in one of the clerical employees serving as President or Vice-President and signing checks of the credit union providing he was properly bonded. If it is the desire of your organization to have one of the clerical employees serve on the Board of Directors, then I would suggest that Article IV, Section 4 of your By-Laws be changed, inserting the words "as such" after the word "shall" and before the words "receive compensation."

REBATING DISCOUNTED INTEREST

QUESTION NO. 3. KENTUCKY. When loans are discounted how should interest refunds be figured when loan is paid up before maturity? Should it not be figured on the face of the loan for the unexpired time of the original period? THE BRIDGE has discussed refunds on loans when interest is paid on unpaid balances, but I've never seen a discussion of the question above.

ANSWER: When loans are discounted and the loan has been repaid before maturity, I suggest that the discount be refigured from the date of the loan until the repayment date. The difference between the amount of this interest and the original payment will constitute the refund to the member.

DELINQUENCIES

QUESTION NO. 4. ALABAMA. In its annual report to the Board of Directors on the audit of the books of our Credit Union for the year 1939, the Supervisory Committee severely criticized me for the condition of some of our loan accounts and I want to give you a brief outline of the condition that exists and ask that you advise me if such a condition exists in Credit Unions in general and also get your personal opinion regarding this condition.

I am listing below some figures in connection with our loan accounts as of December 31, 1939.

Total Loans Outstanding	
12/31/39	\$9,264.81
Original Amount of Loans on which there was a Delinquency	
12/31/39	7,390.00

Balance Due on Loans Carrying a Delinquency as at 12/31/39	\$4,941.81
Amount of Delinquency on Above Loans	1,539.81
Amount of Shares Held by Members Having Delinquent Loans	2,264.64

You will note that there is a total of \$1,539.81 delinquent on a total of \$9,264.81 outstanding loans or about 16%. However, there are several of the loans that are delinquent that have as much or more shares credit than the entire balance, to say nothing of that portion which is delinquent.

ANSWER: We should make a serious effort to hold delinquencies down to the very minimum. A delinquency is the beginning of a loss. The condition of your credit union is a common condition. I can not get greatly disturbed about the situation of your credit union, but I do think that the matter of delinquencies should have constant attention.

You state that the Supervisory Committee severely criticized you about the condition of some of the loan accounts which carry delinquencies. I am wondering if, in this criticism, the Board of Directors should not have been included. In all credit unions with which I have had dealings, the Board of Directors discusses at their monthly meetings the condition of the financial statement which, of course, includes the loan situation. Perhaps your Board has been doing this and if so, was aware of all delinquent accounts. If not, I would suggest that you take up the matter of delinquent accounts monthly with your Board. While you are treasurer and manager of your credit union, there are certain responsibilities that must be assumed by the Board of Directors. This happens to be one of them.

It is very difficult to analyze your situation and to know just how badly the loans are delinquent without checking over your accounts and knowing your personnel. However, I am assuming that the amount of \$1,539.00 is not in reality as large as it appears to be. I agree with you that the primary purpose of the credit union is to assist the members in time of financial difficulty, and as for skip payments, they are all right if the borrower is not allowed to make a habit of skipping when he is in a position to make payment. It is very easy to develop a habit of this kind and it should be discouraged.

EMPLOYEE MEMBERS

QUESTION NO. 5. NEBRASKA. Please give us your opinion and advice on the following questions: Our Credit Union has grown steadily since 1930 to the point where we now employ a full time Secretary-Treasurer and two full time clerks. Although the Secretary-Treasurer and one of the clerks were at one time employees of Armour and Company, they now, along with the other clerk, receive all of their salary from our Union and no pay whatever from Armour and Company. Although now none are employees of Armour and Company all three possess one or more shares in our Union. The Secretary-Treasurer is, of course, a member of our Board of Directors.

How should these facts be reconciled with Article II, Section 1, of our By-Laws, which reads:

(Continued on page 69)

FEDERAL SECTION

NEWS CREDIT UNION SECTION, FARM CREDIT ADMINISTRATION

By OTTO WILSON



Otto Wilson

ONE of the pleasant duties of the Credit Union Section staff members is to keep in touch with credit union developments by attending league conventions whenever other duties permit.

Nearly always the traveler returns to Washington with pleasing accounts of the live, successful, very worthwhile meeting. Often he comes in brimming with enthusiasm. Typical of the latter case is that of Mr. W. P. Mallard, who brought with him from Texas not only a glowing account of the recent state convention at Beaumont but a word picture that left no doubt that the credit union movement in that state is on the march. They have the right idea, he reports, as to what a credit union is for, and they are going ahead aggressively to impart the information to the whole state.

As for the convention itself it was all that such a gathering should be, with a program of serious business carried along on a current of good fellowship. Numbering between 200 and 300 the delegates did not claim any record for size of convention, but they could have claimed a record for distance traveled by delegates (Texas is a huge state!) and perhaps also for quality of discussion and social spirit.

We are admonished to keep an eye on credit union progress in Texas. It is a pleasure to pass the warning along, as well as to congratulate its leaders on the fine running start they have already achieved.

A New "Largest FCU"

Who usually heads the big parade? Answer: "The police." So it seems quite fitting that the men in uniform should take their place at the head of the Federal credit union procession, which they have now done.

From Los Angeles comes a neat page of figures which on examination turns out to be a copy of the December 31 financial report of the Los Angeles Police Federal Credit Union, and which on further study discloses that the assets of that body have reached \$418,194.73. No other credit union under Federal charter can boast such a total. It is the result of less than 5 years' development, as the credit union announced itself open for business on June 11, 1936.

Looking further we see signs that Treasurer H. S. Eaton and his associates have had plenty to occupy their minds during the past 12 months. Shares have increased by \$100,000, assets by \$113,000. New members to the number of 408 have been admitted. Over \$36,000 income was derived from the interest on loans, and net income for the year was about \$26,000.

Membership, standing at 2,700 at the year's end, is surpassed in size by a few other Federal credit unions, and the Los Angeles outfit must thus share the title of "largest FCU" with another. But, as we have always been told, there is plenty of room at the top.

Among the Colored

On January 18 the Farm Credit Administration chartered a credit union whose future course will be watched with special interest. The new organization is the Martin De Porres FCU, set up as a rural community credit union to serve negro farmers and fishermen living in the area around Ridge, Maryland.

Conditions in this region are similar in many respects to those which originally inspired the creation of credit unions in Nova Scotia. As in that Canadian Province Catholic Church authorities have been active in encouraging the people to study the advantages of cooperative effort, especially through credit unions. Study groups over a period of many months have been discussing the methods and advantages of working together. Thus the Nova Scotia technique is being applied all the way through, and many students are watching to see if the results in any measure approach those achieved in the north.

Federal credit unions in colored groups are by no means a novelty. Altogether 50 Federal charters have been issued to such groups and all but three of the credit unions are still active. About one-half of them serve teachers. A number of them have a college or university background, and one of these, the Howard University Employees Federal Credit Union, in Washington, D. C., is the largest colored Federal credit union in point of capital, having assets on June 30, 1939, of \$5,968.

As a group, these colored credit unions show lower share and loan averages than for credit unions in general, but operating indexes are fully as favorable as with other types. Average shareholdings, for example, were \$12 on last June 30 as compared with a general FCU average of \$46, and the average size of loan was \$45 as compared with \$88 for all Federal credit unions. On the other hand the ratio of loans to shares is consistently higher and percentage of losses charged off somewhat lower for the colored Federal credit unions. Rate of growth is considerably higher than for all Federal credit unions.

New Accounting Forms

As announced in last month's BRIDGE the Manual of Accounting Procedure for Federal Credit Unions has been revised, and copies of the new edition have been distributed.

The revision touches a number of ac-

counting forms prescribed in the old manual, and three new forms are also presented. The changes made are the result of 5 years' experience of Federal credit unions, and they are pointed toward the single object of simplifying and making lighter the task of keeping proper credit union records.

Only two of the new forms prescribed need be adopted immediately. These are the forms for the financial and statistical report and for the supervisory committee audit report. All the other new forms may be introduced gradually as the present stock of old forms is used up, although the process of changing over must be completed by June 30, 1940.

Federal Jottings

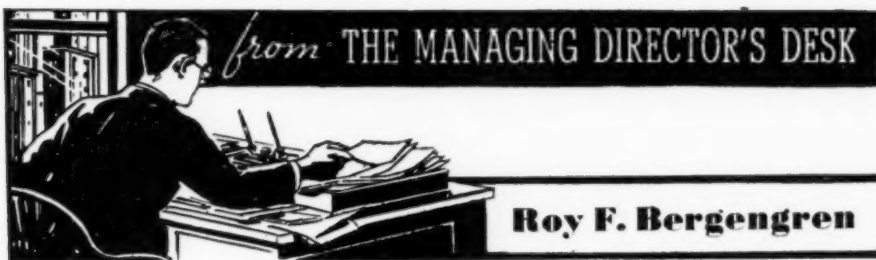
SWELLED by a number of entries held over from December, the January list on new Federal charters is larger than for any month since last March. All told 74 brand-new Federal credit unions were started on their way in the opening month of the year.

One of the features of the list is the appearance of a block of six credit unions set up among the Wieboldt's department stores in Chicago. This is one example of a course of action which has become very familiar in the credit union field—deliberate and careful study of the credit union plan by employees and management of a large business concern with many units, final approval of the idea, and the chartering of many credit unions almost *en masse*.

PECULIARLY appropriate is the name of a new Federal credit union organized in East Cleveland, Ohio—the Myron T. Herrick Federal Credit Union, set up by the members of the East Cleveland Post No. 163 of the American Legion and the Ladies Auxiliary of the post.

Anyone who has dipped into the history of cooperative credit knows that the book "Rural Credits", by Myron T. Herrick, one-time ambassador to France, is a recognized classic in this field. To it we owe our most vivid account of Friedrich Raiffeisen, and the societies that bear his name, usually considered the true ancestors of the modern credit union.

Two college Federal credit unions, both in the same state, were added to the steadily growing list of credit unions among the learned during January. One will serve the employees of Clemson College, in Clemson, South Carolina, and the other those of Furman University, in Greenville, South Carolina. Four other charters went to teacher groups during the month.



R. F.
Bergengren

I SOMETIMES wonder if all the readers of the BRIDGE know just what CUNA is and how it is and why it is.

CUNA — the Credit Union National Association — was organized at the Estes Park Conference, Estes Park, Colorado, on August 10, 1934, on which day fifty-two of the then leaders of the credit union movement in the United States, after a four day meeting during which they had whipped into shape a Constitution and By-laws for a National Association, solemnly signed on parchment the instrument of union which they had produced and pledged themselves to make it effective. August 10 should be recognized throughout the credit union movement as outstanding in our history.

Prior to that time—in the year 1921—the Credit Union National Extension Bureau had been organized by Edward A. Filene and, a dozen years prior thereto (in 1909), through the initiative of the then Bank Commissioner of Massachusetts, Pierre Jay and with the assistance of Mr. Filene, the first credit union law in the United States had been enacted by Massachusetts. Going back another sixty years the first effective credit unions had been organized in Germany by Raiffeisen and Schulze-Delitzsch in the late eighteen forties.

The Managing Director of CUNA was associated with Mr. Filene from the inception of the Credit Union National Extension Bureau and the final objective of the Bureau, from the beginning, was to bring the credit union movement, by the enactment of the needed laws and the organization of enough initial credit unions, to the point where the credit unions would be numerous enough and strong enough and there would be credit union laws in sufficient numbers so that state leagues and a National Association would be practical. The final major contribution of the Bureau was the Federal credit union law enacted in 1934.

THE ESTES PARK CONFERENCE was called for August, 1934, because it was thought that the final objective of the Bureau had been made and that it was time to turn the credit union movement over to the credit unions for their permanent custody and direction. In the

meantime we expended in the Bureau approximately a million dollars of Mr. Filene's money to accomplish the objective we had in mind.

THE FIRST NATIONAL BOARD MEETING was held in Kansas City, Missouri, in January, 1935. Meantime, between August, 1934, and January, 1935, Mr. Doig and Mr. Bergengren organized Leagues so that 35 of them were represented at the first meeting. The office in Madison, Wisconsin was opened the day after Labor Day, 1935. We have therefore, been actively operating in CUNA for (at this writing, February 10, 1940) a little less than four and a half years.

THE structure of CUNA is as follows. It consists of and belongs to 46 State Leagues of credit unions. Its governing body now consists of 101 National Directors who meet annually in April or May, every other year at Madison, Wisconsin. These directors are chosen on the basis of one from each State plus one additional National Director (to a maximum of five from any given State) for each 10,000 dues paying members in each League. National dues (and CUNA is a non-profit, service organization supported entirely by dues) are based, this year, on nine cents per credit union member in a given League, with a present maximum of \$5000 from any given League. Between annual meetings CUNA is governed by an Executive Committee consisting of six vice presidents (chosen by and from the Board by geographical divisions to assure complete national representation), the Treasurer, the Secretary and the President. The Managing Director is Ex-officio a member of the Board without vote. We have had four Presidents—Edward A. Filene, Claude E. Clark (Ohio), Presley D. Holmes (Illinois) and our present President, William Reid (New York). Mr. Reid is President of the New York State Credit Union League and he is also President of the largest credit union in the world, which serves 25,000 members who are employed by the City of New York, of which city Mr. Reid is tax collector.

There are this writing approximately 8400 credit unions with more than two million members. They spread from the Hawaiian Islands to every State of the Union, Alaska and the Canal Zone.

The membership is increasing at a rate which is difficult to estimate but is conservatively over 6500 new credit union members per week.

The National Association operates through various departments and affiliates.

The CUNA Mutual Insurance Society writes primarily loan protection and life savings insurance for credit unions and credit union members. It has a coverage of \$57,000,000, assets of better than \$300,000 and serves 2600 credit unions. It has paid claims totalling approximately three quarters of a million dollars and belongs to the credit unions and the credit union members which make use of it.

The CUNA Supply Cooperative manufactures and distributes credit union accounting forms and various materials needed by credit unions. It is a Wisconsin cooperative society, with state leagues as members, and has a net worth of \$35,000.

The BRIDGE is our publication. It has a circulation of better than 20,000 and should be used by every credit union to the extent at least of a subscription for every credit union director and committee member; its receipt monthly by all of those who have to do with the management of a credit union is essential to such management.

The CUNA Bonding Department bonds the treasurers of 3300 credit unions in a total coverage of between seven and eight million dollars. It also handles excess coverage and chattel lien bonds and is a rapidly expanding department, keeping pace with the rapid development of all other departments.

The CUNA Educational Service has to do with educational problems, publicity material, services for chapters, credit unions and credit union members designed to help them all understand the complete services the credit union can render when fully understood.

Very important is the Contact and Organization Department which is CUNA in the field, carrying on through a field staff of five, the very essential contact work with Leagues, Chapters, etc.

The general office handles a vast variety of matters (tax problems etc.) which are incidental to a movement which is very much in motion.

Any inquiry relative to any of these departments should be addressed to the Credit Union National Association, Madison, Wisconsin.

CUNA IN THE FIELD

ECONOMIC FRONTIER LIMITLESS

By DORA MAXWELL
Northeastern Representative

One Third of the Nation

President Roosevelt has turned the spotlight on that part of our nation which represents our poorest citizens. The latest report of the National Resources Planning Board is an utterly revealing document. This study shows that the top third of the population earns \$1450 or more a year, the middle third from \$750 to \$1450, and the lower third \$780 or less a year.

Since we in the credit union are dedicated to find "the way of economic betterment" to quote Mr. Bergengren, these figures should concern us. My guess would be that the largest number of our members belong to the top third, that a smaller number belong to the middle third, and that very few come from the lower group. There are indications, however, that we have begun to penetrate this lower third.

We hear much about the problems of the sharecroppers in the South and about the Okies on their trek to California. But we have our share of the lower third families in the east. All up and down the Atlantic seaboard these people are beginning to make themselves heard.

The People, Yes

Because they are poor and can't afford outside amusements they are free to begin the process of self education. Therefore, here and there they are setting up study classes, the better to know themselves and their problems. This inevitably leads them to the Credit Union and Cooperation.

Five or six French-American parish groups in Aroostook County, Maine, started credit unions about a year ago under the enlightened leadership of Father Souci. They are making slow progress, painfully slow judged by some of our urban credit unions, but judged by the early Raiffeisen banks, whence our beginnings, it is typical. Not one of these credit unions has yet gone over \$500 in assets but even these small amounts in each of five or six credit unions, all of it working, represent a brave beginning. Given a good potato season things will pick up. Meantime they are trying and that way lies the road to economic reconstruction.

Further down the coast of Maine, some miles from Bath, a group of fishermen (cash income around \$500 a year) sent two of their people to Nova Scotia to see what they could see. As a result of this visit, and with the encouragement of a young Quaker couple living in the community, a credit union was started about eight months ago. Conditions in this community are unbelievably primitive. The credit union organization meeting had to be delayed because a baby was being born in the village. There was no doctor and one of the proposed incorporators was the midwife. It was a boy. Both the baby and the credit union are on the road to a life of usefulness, we hope.

"Am I Not a Man and a Brother?"

Still further down the coast, in Maryland, a group of Negro fishermen (income around \$350 a year), members of a Catholic parish, have for a year been meeting regularly to learn about self help through the credit union. Father McKenna, the pastor, has been working with them. Some difficulty was encountered in getting a charter and twice they were refused. Undiscouraged, they continued their study club and collected savings. It came in nickels and dimes and in a year they accumulated \$70. Not much money, you are probably thinking! But enough to buy a cow so that at least some children will have milk. Not much money, but enough for perhaps ten or fifteen baby shoats to raise for families without meat in their diet. Not much money but as much as the fishermen in Nova Scotia had to start some of their credit unions.

This charter has now been granted and the first loan application has come in from Mary Doe. The roof of her house is caving in and she wants \$10 to jack it up. \$70 isn't much, but next year it will be more, another year still more—and another group will be one inch further on "the way to economic betterment" Mr. Bergengren.

No one can meet with these groups of earnest people, regardless of race, and not be touched by their plight and inspired by their efforts. Here lies the test of the usefulness of the Credit Union to the poorest of our fellow Americans. Doesn't this field offer CUNA a challenge to prove it hasn't lost its pioneering spirit?

N. Y. Municipal Up in Front

This Credit Union has been using our CUNA Mutual "A" plan for some of their loans, another plan of self insurance for some of their loans, and no insurance for some of their loans. They have discarded this heterodox system now and have signed a contract calling for the use of the "AA" plan on all of their borrowers. Last year their loan business amounted to \$3,800,000.

CUNA President, Bill Reid, is President also of the New York Municipal Credit Union. Bill doesn't talk much except when he's ready to act and then he does things in a big way. Never to be forgotten is the day I first made my way past a battery of doormen and secretaries into his imposing office. That was back when the New York League was not affiliated with CUNA and we were trying to solve that problem. If New York came in they would have to increase their dues and they had already done that each year for the two years just preceding. Since the Municipal Credit Union was the largest in the state and their decision would influence the action of other credit unions and since Bill Reid was also President of the League, we were trying to come to some agreement with him

on a dues recommendation. A schedule with a maximum of \$1000 was timorously suggested, an increase of 400% for the Municipal Credit Union. Reid didn't have much to say—he was listening—but on leaving him there was some hope of progress. Later there were indications that we had lost ground. Still later, and quite suddenly, things cleared up again and Bill was suggesting a schedule with a top of \$1750—an increase of 700% and his credit union the only one affected.

Tom Doig speaking, Bill Reid listening, and the same afternoon the *Municipal Credit Union Board of Directors* voted to take 1000 *BRIDGE* subscriptions for distribution amongst its members.

Bill Reid is still not talking much but when you catch his ear, make it good, and then watch him carefully because before you've got it all said he may have gone and done it.

No Greater Faith

FOUND—a credit committee who were innocently signing all the promissory notes under the assumption that that was how they signified their approval of the loan applications. After that was explained the chairman of the committee said it was all very fine to be corrected and he hoped I wouldn't feel they didn't appreciate my efforts but so far as he could see it didn't make much difference. As one member of the committee he was willing to go right on signing all the promissory notes. He guessed I didn't know what a swell bunch of people they had in their credit union.

All's Not Quiet

We have our problems and always will have while we continue to grow. Pulling together, we can solve our own differences while presumably a new batch are brewing. What is discouraging though is to have the extraneous issues of the times dragged into our movement. Upstate against downstate, city against county, C.I.O., A.F. of L., Independent or no union at all—even more sinister divisions than these—are no concern of ours in the credit union. What we believe in is the availability of the credit union to render great service to people. *That word "people" is an all inclusive word and when we use it we do not qualify it in any way whatsoever.* We believe in getting together and are suspicious of those who attempt to divide us. A week in upstate New York where some difficulties of this sort have developed was a discouraging experience—but only temporarily. Out of it has come a statesmanlike program to combat those who are spreading dissension. Joseph A. Catozzi, chairman of the Buffalo Chapter, has gone to work for the League as additional contact man. *The answer is always more service.*

One Man One Vote

During the last two weeks of January approximately 8500 credit unions were holding their annual meetings. Invitations to attend these meetings have been pouring in, as many as six for one evening. It is impossible for the field staff to cover more than a fraction of these meetings. They are important, however, because this is the point at which democracy in the

(Continued on page 70)

Filene Memorial Campaign

MICHIGAN NEAREST QUOTA

CLAUDE E. CLARKE

Chairman National Committee

THE SIGNS of the times are favorable. The month of January has shown just the results we had hoped for the first month of 1940, our first real production year for the Filene Memorial Campaign.

As this material goes to press, we are receiving reports showing that many credit unions have been taking up the campaign at their annual meetings, and with very good results. We probably cannot secure the totals for February 1st in time to record them in this issue, but they will be reported just as soon as possible.

BRIDGE readers may be interested in the experiences of some of the credit unions:

The Huntington (West Virginia) Postal Credit Union, after giving \$25.00 last year, has carried on a very careful personal solicitation. Their report in December showed 120 subscriptions of one dollar and \$95.00 already paid in cash. Their officers write as follows regarding their results: "We feel like our credit union membership has received a great spiritual uplift as a result of this little effort, and that their loyal and devoted interest has been measurably increased."

The Sycamore Community Credit Union, of Syracuse, Illinois, writes: "You may have the record that we sent a contribution last year. I believe you can count on us each year until the program is complete."

Garland Webster, state chairman of Virginia, reports that the Newport News Shipbuilding & Dry Dock Employees Credit Union increased its contribution from \$25.00 to \$150.00.

The Cleveland Telephone Employees Credit Union, at its annual meeting, voted a contribution of 50c per member, a total of \$1004.00. This was in addition to the amount previously secured by individual contribution in the sum of approximately \$250.00.

The Cleveland Firemen's Credit Union secured \$285.00 by individual contributions, and voted an additional \$215.00 at their annual meeting.

The Fourth Estates Credit Union of Cleveland gave \$25.00 last year. This year the members in their annual meeting voted a contribution of 50c a member, thus increasing their gift to \$162.00.

The Railway Clerks Lodge 1192 Credit Union, Inc., of Detroit, Michigan, has just sent in a check for \$421.00. This gift is on the basis of \$1.00 per member for their 396 members, and \$25.00 as an organization gift from the Credit Union.

These examples show the increasing tendency of credit unions to support the campaign in a generous and substantial way. They are making an investment rather than a mere donation.

The report of our treasurer, Charles G. Hyland, on December 30, 1939, shows 13,401 individual contributions, totaling \$11,784.84, and 606 contributions from credit unions, totaling \$23,510.26. This total of \$35,295.10 is an increase of approximately \$9,000.00 since September 30, 1939. This total is in addition to the \$15,000 available in Madison for the purchase of the site.

Action by Special Committee

The February issue of the BRIDGE told of the appointment of the special committee made up of Henry Stricker, Jr., chairman, H. E. Iverson, William Pratt, and E. S. Johnson, to confer with the Farm Credit Administration and Credit

Union Section regarding some plan for participation by Federal Credit Unions in the campaign. A very important meeting was held on January 6th.

The representatives of the Farm Credit Administration and Credit Union Section approved in principle the financial support of the campaign by Federal Credit Unions. A plan is now being worked out which it is believed will be satisfactory to all concerned. Complete information will be given just as soon as possible.

One of the very gratifying experiences in connection with the work of this committee has been the growing insistence on the part of Federal Credit Unions that some practical plan be devised whereby they can support the fund in a manner which will reflect their loyalty to our National movement. We are confident that a way will be found to do this.

Statistical Summary

The following summary shows the campaign quotas of the various states, the amounts of contributions from each state, and the percentage of the goal, as of December 30, 1939.

STATISTICAL SUMMARY (December 30, 1939)

State	Quota	Amount Secured	Percentage
Alabama	\$ 2,500.00	\$ 62.00	2.5%
Arizona	200.00	12.00	6
Arkansas	.....	.....	.....
California	13,000.00	593.05	4.5
Colorado	3,000.00	539.00	18
Connecticut	4,000.00	636.00	16
Delaware	150.00	.....	.....
Dist. of Columbia	4,000.00	166.00	4
Florida	4,500.00	746.00	17
Georgia	4,500.00	439.00	10
Hawaii	1,500.00	40.90	3
Idaho	550.00	.....	.....
Illinois	21,000.00	8,278.00	39
Indiana	8,500.00	625.00	7.3
Iowa	8,500.00	32.25	.4
Kansas	2,500.00	827.50	33
Kentucky	3,000.00	1,362.75	45
Louisiana	2,500.00	563.00	22
Maine	400.00	90.00	22.5
Maryland	1,500.00	439.00	29
Massachusetts	12,000.00	468.00	4
Michigan	15,000.00	7,955.00	53
Minnesota	11,000.00	141.00	1.3
Mississippi	250.00	72.15	29
Missouri	11,000.00	1,063.01	10
Montana	250.00	36.50	15
Nebraska	1,500.00	81.50	5
Nevada	50.00	12.00	25
New Hampshire	250.00	.....	.....
New Jersey	5,000.00	1,093.24	21.8
New Mexico	.....	.....	.....
New York	21,000.00	156.00	.7
North Carolina	4,500.00	69.00	1.5
North Dakota	750.00	71.95	9.5
Ohio	19,000.00	4,261.30	22
Oklahoma	2,500.00	122.00	4.8
Oregon	1,000.00	212.63	21
Pennsylvania	15,000.00	1,473.00	10
Rhode Island	1,500.00	5.00	.3
South Carolina	400.00	74.25	18.5
South Dakota	200.00	15.00	7.5
Tennessee	2,750.00	178.00	6
Texas	9,000.00	254.00	2.8
Utah	1,100.00	.....	.....
Vermont	50.00	.....	.....
Virginia	3,000.00	208.45	7
Washington	4,500.00	329.82	7
West Virginia	750.00	75.00	10
Wisconsin	17,500.00	744.00	4
Wyoming	200.00	5.00	2.5
Canada	.....	671.00	.....

The foregoing statement shows that twelve states have secured twenty per cent or more of their quota. Sixteen states have secured more than \$500.00 in contributions. Seven states have not as yet reported any funds received for the campaign. Many of the smaller states are making a very good showing, in spite of

Failure to Pay One Cent Runs Bill to \$12.01

St. Louis, Jan. 29 (AP)—When Benjamin Krall paid off a loan to a finance company he made an error and sent a check for one cent less than the full amount.

He got a letter asking for the penny, but didn't take the dun seriously.

The company showed it meant business, however, and sued Krall in Justice Court. Including court costs, the bill rose to \$6.01.

Krall was astonished but again let the matter ride. Now his salary has been garnisheed. There was a \$6 charge for this.

With his bill now \$12.01 Mr. Krall is beginning to get mad.

Sent in by Mr. W. McRae, Treas., Armour Creameries (Louisville, Ky.) Credit Union

From Our Readers

Dear Sir:

Congratulations on the job you're doing in editing THE BRIDGE. The January number was of special interest and value to us. The more we can learn about successful ideas used by other credit unions the better we'll be able to handle our task.

Very truly yours,

Robert Hitchman, President.

Northwestern Employees' Federal C. U.,
Seattle, Wash.

Dear Sir:

I mailed a check to Chas. Hyland for \$15.00 covering BRIDGE subscriptions for our entire board and three station collectors. On next payday a committee will solicit the membership for additional subscriptions.

In January issue of BRIDGE I noticed that Indiana rates very low in subscriptions, and as a Director of the League I propose to keep plugging until I am able to do something about that too.

Sincerely,

A. J. Alt, Secy.-Treas.

Federal Employees' Credit Union,
Gary, Ind.

the problem of contact and promotion.

All credit unions are urged to turn over their contributions as soon as possible to their local chapter or state chairman. State chairmen, in turn, are also urged to forward contributions promptly to our National treasurer, as we wish to make another report as of April 1st. Some annual meetings may be scheduled for the month of March. We would again urge that Boards of Directors arrange to give consideration to the Filene Memorial at these meetings, and vote a contribution out of the undivided earnings wherever this is possible.

We wish again to recognize the loyalty and devotion of all those credit unions which have made contributions during the month of January, as well as those which would have shared in this great undertaking had the way been open to do so. *This attitude is bound to make our movement more unselfish, and at the same time more united.*



Some of the workers.

When we got moved to our new office on East Washington Av., Madison, Wisconsin we found that we had some interesting problems. One of them involved the business of getting fed in the middle of the day. We were a long ways from town and from a good lunch room. Another problem involved our basement. It had been, in the early days of the depression, a transient's hotel. Written on the wall at the front door of the new Raiffeisen House was the inscription: "Bum's Hotel—All Transients Welcome". That didn't seem to be appropriate to our business and so we painted it out. But the basement reflected the days of the 'Bum's Hotel'. It was full of rubbish, dirty past belief and an altogether unpleasant place. On the other hand it was high studded, with a good floor and walls and large enough for a recreation room and cafeteria, with an alcove which was well located for a kitchen.

MAN MUST EAT!

Gas, electricity and water (both hot and cold) were all within piping distance.

We had an employee assembly and talked these problems over and decided to kill two birds with one stone—by thor-



Noon hour at the cafeteria.

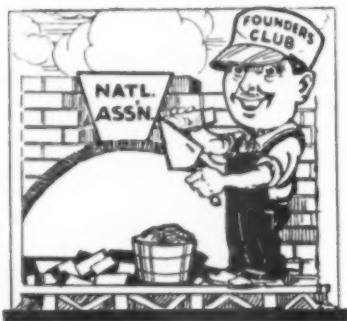
oughly renovating the basement and, in the process, creating a place where we could eat. All the men volunteered to work and reported of a Sunday morning in their old clothes. We worked two full days and four evenings and we discovered that we had painters and decorators, carpenters and cabinet makers, cleaners and polishers and all varieties of jacks-of-all-trades among our number.

We invite you to come to Madison, particularly during the noon hour, to see what we produced. At Christmas time we acquired three ping-pong tables; a good friend gave us the dining room tables and chairs; the employees had a small fund which produced the dishes, gas stove, etc. We sold some old and no longer useful equipment to get money enough to put in a sink and we did a painting and cleaning and carpeting job which is our pride and joy. The employees association runs the cafeteria and feeds from 30 to 35 men and women every noon to their complete satisfaction, with fine food at very low prices.

At that they are more than splitting even and have solved a problem.



Ping-pong is popular.



FOUNDER'S CLUB

service the value of which it is difficult to estimate; it is impossible to over estimate the value of that service.

The next thought we would get across is that there are as yet only a handful of credit unions. We think 8400 credit unions a large number; it is, compared with the 199 credit unions of 1921, the year the Credit Union National Extension Bureau was organized. But—consider Madison, Wisconsin! Here is a State Capital—university city of about 90,000 population. It is not a particularly fruitful credit union territory; it has relatively few industries. Yet we have 54 credit unions and have not yet reached the saturation point. If we were doing as well all over the United States there would be over 100,000 credit unions, with thirty million or so members and total resources counted in billions. *And that is our primary objective; to bring the credit union to the service of all of the people of the United States who need it!*

That job takes a natural precedence over all other jobs!

Because of space limitations we will defer introducing the more recent initiates to the Founder's Club until the May issue when we shall have a considerable group ready for introduction. This Month we seek rather to emphasize the importance of the Club in the whole credit union program.

The credit union movement is made out of a single material item as its base, without which item there could be and would be no credit union movement. *The movement is made out of credit unions.* Without credit unions there would be no League, no CUNA, no CUNA Mutual Society, no Supply Cooperative, no bonding department, no BRIDGE. The most important single item in our daily mail (which is getting to be quite extensive and various) is the report of a new credit union. For each new credit union reported builds the whole movement; it builds the CUNA Supply for it must at once have forms; it builds the CUNA Mutual because the value of the loan protection service in so very obvious; it is an immediate customer for a CUN bond and it starts at once to create potential BRIDGE readers. It brings new life and new vitality into the whole credit union structure. The credit union member, therefore, who organizes a new credit union performs a

How are we getting on with it? We are averaging (all of us, including the Federal Section, State Leagues, CUNA field staff etc.) almost (but not quite on the averages of the last four months) a hundred credit unions a month. *Obviously that isn't enough.* We must speed up our program. There is nothing experimental any longer about our various types of credit unions. We have in our sample case excellent samples of a great variety of types. We should tool up to produce credit unions on a mass production basis. This will not come from the usual organization agencies; State League Managing Directors have too

many other problems to concentrate on credit union organization work; our CUNA field staff produces some credit unions but has a thousand other jobs to do and, with five in the field, each of them, a vast area to cover. The Federal Section is limited by rules which retard organization.

Our hope is within the credit union rank and file. And the Founder's Club is a demonstration that there is the potential capacity within the rank and file to step the organization program up to the mass production basis about which Edward A. Filene spoke so much and so earnestly. We are never going to be entirely true to his program until we bring the credit union to the masses of the people—to all of the people, not to a small percentage of all the people.

The first step must be taken by the Founder's Club. Every man and woman who wears the Founder's Club insignia is a part of this most important division of the credit union army; we go out in the front lines and we carry on effectively, not by organizing a single credit union *but by becoming volunteer credit union organizations who work persistently at it.* Each one of us is surrounded by potential credit unions. The possibilities are limitless. Shortly every member of the Club will receive a letter asking the member to sign up for a campaign, his or her share of which will be a credit union a month. We shall organize a department here in the office to help by analyzing your territory, pointing out where the prospects are, circularizing them, opening the doors, helping with the right material.

When you are asked to enlist—be ready!

Ray H. Bugengrew

Founder.

The United States Steel Credit Unions Show Steady Growth From U. S. Steel News

FEW OF US there are who, at some time or other, have not been faced with the problem of obtaining funds to meet emergencies. If Junior isn't running a fever, mother can usually be depended upon to find something around the house which just has to be repaired. If mother is satisfied for the moment, Mr. Jones is probably looking for his rent or those taxes are just about due. It's just one thing after another and, worst of all, those things all cost money. But where to get that money is sometimes a problem.

For many of the employees of the United States Steel Corporation subsidiaries, credit unions have provided the solution to that problem. These "savings and loan" associations offer to their members a sound field for the investment of their savings and a source from which they may borrow funds when emergencies arise.

That they have been successful in filling a real need is indicated by the fact that since April, 1937, when US Steel News published a report on 41 known credit unions operating in subsidiary companies, thirteen new ones have been organized, bringing total membership to 38,134. Carnegie-Illinois Steel Corp. now reports 18 active organizations of this kind, American Steel & Wire Co. 17, Universal Atlas Cement Co. 6, Tennessee Coal, Iron and Railroad Co. 4, National Tube Co. 3, Columbia Steel Co. 3, Cyclone Fence Co. 2 and Oliver Iron Mining Co. 1.

These unions have a total paid in share capital of \$2,173,676.81 and have lent to members the sum of \$7,593,751.47 since their organization. Total surplus, at time of writing, amounted to \$76,311.69.

From the funds derived from the stock purchases which entitle them to membership in the union, employees may borrow money for purposes such as doctor's bills, rent and taxes, household repairs and the payment of accumulated debts. All requests for assistance are treated alike regardless of the amount of stock held by the applicant and, if approved by the credit committee, are granted at an interest rate of one per cent per month.

United States Steel credit unions have done much to lighten the financial burden of their members. They have solved for them the all-important problem of getting money when it's needed most without exposing them to the dangers of exploitation by unscrupulous money lenders and have encouraged thrift by offering them a safe field for the investment of savings at interest rates which compare most favorably with those offered by the commercial banks.

And I, a child of God, by Christ made free,
Start from Death's slumbers to Eternity!

—Jones Very.

A YEAR OF PROGRESS With Fall River's (Mass.) Seventeen Credit Unions

COMBINED Financial Statement

Of Assets and Liabilities
As of November 30, 1939

ASSETS	
Loans to Members.....	\$640,275
(Personal and Real Estate)	
Investments	50,102
Furniture and Fixtures.....	755
Cash	115,107
Other Assets	500

TOTAL ASSETS\$806,739

LIABILITIES	
Shares	\$740,778
Notes and Bills Payable.....	5,571
Guaranty Fund and Reserves.....	44,890
Undivided Earnings	15,500

TOTAL LIABILITIES\$806,739

STATISTICAL REPORT

Total Membership	5963
Member-Borrowers	2544
Average Share Balance.....	\$125
Average Personal Loan.....	\$ 94

Largest Employee Credit Union:
Southeastern Mass. Telephone Workers
Assets \$320,983

Largest Associational Credit Union:
F. R. Boys Club Credit Union
Assets \$43,742

Largest Parish Credit Union:
St. Anne's Federal Credit Union
Assets \$35,497

Oldest Credit Unions:
Southeastern Mass. Telephone Workers
F. R. Doffers & Spinners

Newest Credit Unions:
Maplewood Portuguese
Bristol County Employees
Tiverton & Little Compton
Harold News Employees

The above was part of a full page advertisement which appeared in a local newspaper.

These credit unions and their officers are to be highly commended.

The Irish believe that the celebration of this day aids to promote good-fellowship and to keep up old acquaintance, besides helping forward the cause of charity, which in this case means the caring for the orphans and the comforting of the aged.

—J. Walker McSpadden.

"How is the patient in 742?"

"He's anxious to get home to his wife."

"Hmmm. Still delirious, eh?"

If looks could kill, most husbands would die with bridge cards in their hands.

Idle Surplus Funds "Melt Away"

Read How It Was Done

WE HAD the pleasure recently of hearing Treasurer Louis Pereny of the Sherwin-Williams Employees Credit Union of Chicago tell a chapter group what they did to materially reduce the surplus money always on hand.

Perhaps the following will be of assistance to your credit union; service is rendered by all money in circulation among the membership. Further, that is the safest place, too.

Mr. Pereny said:

The experiences of our Credit Union in decreasing the idle surplus during the past 8 months may prove of interest to others.

Eight months ago, our surplus amounted to over \$15,000.00 with share holdings of approximately \$40,000.00. Seemingly we were stuck on dead center, with our monthly share and loan balances practically stationary over a period of almost a year.

At that time, a more extensive educational campaign was begun, to teach members the economy of cash purchases financed through the Credit Union. This was done by means of frequent display of posters, and articles written by Directors, and Educational Committee, circularization of the entire personnel of the company. These efforts soon began to show results and at the present time our loan balances are within \$2,000 to \$3,000 of our share balances, which have also increased considerably during the period.

Our Educational Committee can assume only part of the credit for this advance, a factor which we consider responsible to a great extent for this gain in share and loan balances is the change of location of our Credit Union Office. Formerly located in a comparatively inaccessible spot, a little "off the beaten track," new quarters were established about six months ago near the main time clock, so that almost every employee passes the office twice a day. Since this move was made,

- (1) Membership was raised 15%
- (2) Loans have increased 35%
- (3) Practically all surplus cash has been loaned out

A check on the effect of this factor was secured during a recent 3-day period when alterations were being made in the new office. Temporarily moved back to the old quarters, activity fell off markedly, only to pick up at an accelerated pace on return to the new quarters. Apparently, accessibility of the office has an important, but often overlooked influence on the success of the Credit Union.

"What's inertia, Dad?"

"Well, if I have it, it's sheer laziness; but if your mother has it, it's nervous prostration."—Efficiency Magazine.

◀ NEWS OF STATE LEAGUES ▶

"Replacing the best with something better—that is the keynote of progress"—Edward A. Filene.

WISCONSIN

By Albert Kasten

President's Column

The Milwaukee County Credit Union Assn. again leads the way for all chapters in the country in staging the regular annual meeting.

Elsewhere in this section a complete description of the affair will be found. The writer of this column merely wishes to congratulate the outgoing officers on a job well done—and to extend our best wishes to the newly elected officers for another bigger and better year in 1940. The new officers may be sure that the facilities of the State League will be at their disposal as usual.

February is the month in which we celebrate the anniversaries of two great men—Washington and Lincoln. Both of these men fought and won battles because they believed in the causes for which they were fighting.

Washington fought for freedom of his fellowmen—freedom from bondage, tyranny and oppressive taxation without representation. Lincoln fought to maintain that freedom that we received from Washington, and to keep a nation from being divided.

How similar to the causes of these men is the cause of the Credit Union Movement. We, too, are fighting for freedom—freedom from usurious money lenders. Our battle, too, will be a victorious one if we all unite and present a solid front as did the armies of Washington and Lincoln.

In the years to come, when Credit Unions are known far and wide for the good they do, and when we have accomplished our purposes, it is even conceivable that the name of our leader, Edward A. Filene, will be synonymous with freedom in the same manner as are the names of Washington and Lincoln.

AL F. SHEELEY.

Milwaukee County Credit Union Assn. Annual Meeting

Saturday, February 3, 1940, was a red letter day in the lives of credit unionists in and around Milwaukee, for that was the day of the annual meeting and banquet of the Milwaukee County Credit Union Association.

The annual business meeting was held at 4 P.M., at the Hotel Pfister and was attended by 160 delegates and other interested parties. The membership heard reports from C. P. EMERY, retiring president,

Of General Interest!

N. Y. SECTION—Last paragraph, Buffalo Dist. Chapter, about a treasurer appointed to Supreme Court.

ILL. SECTION—How an interesting Quiz Program is conducted.

IA. SECTION—Note in President's Column item on tax fight.

CANADIAN SECTION—Black-outs, but chapter meeting goes on in dark. Last paragraph of Mr. Flood's comment.

and other members of the executive committee who outlined the activities, progress and accomplishments of the Association for the past year. ●Of particular importance was the fact that the membership was increased by 20 credit unions, bringing the total to 126 affiliated credit unions for the year. ●A resolution to raise dues to \$2.00 per credit union was introduced and passed so that services could be increased and a central meeting place could be rented for each meeting. ●Another resolution making the immediate past president a member of the executive committee was also passed to give the incoming officers the benefit of his past experience.

Results of the annual election showed: Walter Gaedke, Treasurer of the Milwaukee Municipal CU, President.

Harold Zabel, President of the Allen Bradley CU, Vice-President.

Ed. C. Kelling, Treasurer of the Harnischfeger Emp. CU, Secretary.

Adolph Gull, Treasurer of the Gasco Credit Union, Treasurer.

At 6 P.M., 850 enthusiastic credit union people poured into the Red and Fern Rooms at the Pfister Hotel and sat down to a delicious banquet of turkey and trimmings. During the banquet entertainment was provided by Roland Ische and his orchestra and community singing was lead by Dave Waechter. The genial C. P. Emery, retiring president, acted as toastmaster and introduced the guests of the evening.

Miss Louise Newman, personnel director of the Northwestern Mutual Life Insurance Company, was then introduced as the speaker of the evening. Miss Newman pointed out the benefits of credit unions as seen by personnel departments of industry; and she stated that surveys were constantly being carried on, the results of which showed the value and need of credit unions in industry.

The Great Raymond, magician, and Litzka Raymond, his wife and a famous harpist in her own right, provided the entertainment which consisted of feats of magic, harp solos, and a description of interesting experiences had on their many trips around the world.

All who attended declared the affair a huge success and indicated that they were looking forward to the next annual meeting with the greatest of pleasure.

TEXAS

By Dr. R. L. Conrod

Cuna Is Ably Represented at 1940 Annual Meeting

With Messrs. EARL RENTFRO, THOMAS W. DOIG, and C. F. EIKEL, JR., present for the annual meeting at Beaumont, the Credit Union National Association was ably represented this year. Mr. Doig made a talk at the luncheon in which he urged the adoption of a satisfactory budget and dues schedule. Mr. Rentfro conducted a panel discussion on the work of the CUNA Mutual Society, informing the many credit unions on the outstanding service which has been made available to credit unions and their members through the efforts of CUNA. Mr. Rentfro also made the principal address of the evening during the banquet held in the Rose Room of Hotel Beaumont. On hand to render his assistance to the League was Mr. Eikel, who offered suggestions from time to time and met the delegates as they arrived.

The splendid cooperation rendered the TCUL by the National Organization has been one of the principal reasons for the success of credit union growth in Texas.

Three Delegates from Nation's Capitol Attend

The Credit Union Section, Farm Credit Administration, Washington, D. C., sent three of its representatives to the convention. MR. W. P. (BILL) MALLARD, Chief, Field and Review, appeared as chairman of the discussion group of the Supervisory Committees during the morning, and as speaker during the banquet.

MR. PAUL MILLS, Federal Credit Union Representative, San Antonio, introduced Mr. Rentfro at the banquet and served on the Supervisory Committee panel.

MR. ROBERT HANSCOME, Federal Credit Union Representative, Houston, introduced Mr. Mallard at the banquet, and was a member of the panel for the Treasurers and Credit Committees group.

Local Credit Union Leaders Take Prominent Part

Among the outstanding leaders in credit union work in Texas who attended this year's meeting and took an active part in the convention activities was MR. JACK CARTER of the Southern Pacific Railway System, who talked during the luncheon about the attitude of the employer towards

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Employees Credit Unions. Mr. Carter served this past year as the Chairman of the Anti-Usury Committee in Houston. The Southern Pacific System has six credit unions among its employees in Texas.

Mr. H. Bentley Hahn of the Beaumont Post Office was Chairman of Arrangements and was assisted by twelve credit union leaders from Beaumont and Port Arthur. Mr. Hahn acted as toastmaster at the luncheon. Mr. Poyntz Dunn, assistant city attorney of Beaumont, welcomed the convention for the city of Beaumont, Dr. R. L. Conrod of Denton responded for the League, Mr. W. D. Culbreath of Houston introduced Mr. Carter and Mr. S. H. Butler introduced Mr. Doig. The master of ceremonies for the banquet was the genial Mr. Clarence de Busk, secretary of the Beaumont Chamber of Commerce.

Texas Credit Union League Elects Six New Directors

As one of the principal items of business at the sixth annual meeting of the Texas Credit Union League held in Beaumont, Texas, January 20, at Hotel Beaumont, six men were elected to the board of directors for the TCUL. Only one of the six men named was a re-elected director, A. S. Anderson of the Alamo Federal Credit Union of San Antonio being a member of the board at the time of the election. The other new board members are: Wallace R. Eddings, Fort Worth; W. J. Prejean, Port Arthur; H. W. Mecklenburg, New Gulf; G. V. Carrol, Houston; W. D. Gulbreath, Houston.

Principal TCUL Officers Re-elected

In recognition of their outstanding service to the League throughout the past year, the principal officers of the TCUL were re-elected for another year at the annual meeting in a board of directors meeting which followed this business session. These officers are: V. S. Judson, Dallas Municipal Employees Credit Union of Dallas, president; Dr. R. L. Conrod, treasurer of the Denton County Teachers Federal Credit Union, vice-president; C. W. Thomas, United Credit Union of Tyler, secretary-treasurer; and W. J. Edmonston, Dallas Teachers Credit Union of Dallas, managing-director.

State League Names Two Additional National Directors

One of the most important elections held at the annual meeting of the Texas Credit Union League in Beaumont, January 20, was the naming of V. S. Judson of Dallas and Dr. R. L. Conrod of Denton as National Directors from Texas. C. W. Thomas of Tyler was selected as an alternate national director.

Waco Chosen As Site for 1941 Annual Meeting

Waco, located in the heart of Texas and

home of the fifth largest group of Texas Credit Union League members, was selected as the site of the 1941 TCUL convention, at the annual meeting held in Beaumont.

Panel-Discussions Used for the First Time at Annual Meeting

Exemplifying the progressiveness of the Texas Credit Union League, this year's annual meeting marked the first time that the panel-discussions have been used. The idea was borrowed from the Illinois League Proceedings and proved to be the most talked about feature of the meeting. The delegates were so interested in this educational part of the program that objection was raised to separate panels and a motion was made to have a two-day meeting next year in order that all the discussions would be enjoyed by the entire group. The motion was carried by a unanimous vote.

Dallas Teachers Credit Union Is Largest in Texas

The largest of more than 300 credit unions in the state of Texas, the Dallas Teachers Credit Union, showed its total assets to be \$210,572.39 in the financial report of December 31, 1939. W. J. Edmonston, traveling managing-director of the TCUL is a member of this outstanding North Texas union.

At the beginning of January there were 310 credit unions in Texas with more than half this number, 158, being members of the TCUL.

Longview Humble Employees FCU Holds Fourth Annual Meeting

One of East Texas' most progressive credit unions, the Humble Employees—Longview Federal Credit Union held its fourth annual stockholders meeting January 19 with two outstanding credit union workers from Houston as the principal speakers.

J. A. COLLERAIN, a former president of the Texas Credit Union League and treasurer-manager of the Humble-Houston credit union, and C. C. MOORE, secretary of the Humble Pipe Line Company and vice-president of the Humble Employees Houston FCU, were the guest speakers, who are widely-known throughout the state for their vast knowledge of credit union policy, procedure, and practices.

Houston Postal Credit Union Shows Large Asset Total

The Houston Postal Credit Union, perhaps the largest credit union in South Texas, with 565 members showed total assets for 1939 of \$190,065.54. Under date of January 9, 1940, the Board of Directors voted to reduce the interest charged on loans to $\frac{3}{4}$ of 1% on monthly balances.

IOWA

By Fred A. Beard

President's Column

Hello Folks!

Here's hoping you finished '39 in fine shape and have got a good start on 1940. Did you get a good turnout to the annual meeting? If you did let's have a story about it, because that's been a problem. Your experience might help some other credit union next year to get a good representation out to their meeting.

Don't forget to send a copy of your annual report to the league office. This is valuable material for our managing director to use in his contact and organization work.

Did you get any action on the Filene memorial fund drive? While it is too early for many reports, some have indicated fine success with the drive. We hope to get a complete report in the March-April issue of the *News* showing how many credit unions did anything; how much money they raised—both in cash and pledges; and what plan they used in conducting the drive. For your convenience, a self-addressed return card is enclosed with this issue of the *News*. Please fill out and return at once, or as soon as drive has been completed.

On this same card you can also indicate how many BRIDGE subscriptions you have or will send in. You'll like the BRIDGE and it will help a lot to make your credit union better and bigger. Every officer and committeeman should receive the BRIDGE, and the twelve or thirteen dollars necessary will be money well invested.

We are in a great movement—a movement supported by dues from member credit unions. Any benefits (and they are many) that are gained are shared by all whether or not they are members as a result of organization. All credit unions in Polk county, Iowa, have received notice from the tax assessor to pay taxes on all monies: reserves, surpluses, and even on shares and deposits. It will be up to the state league and our national association to help fight this battle. The same thing happened in Kansas the past year, and the national had a man in there for at least six months helping get the tax ruling reversed. You can't tell the Kansas credit unions that it doesn't pay to belong to their state league.

If you are hesitating to join the league on account of the dues, come on in, for the more that join the lower will be the dues rate. The league fiscal year starts April 1st, so if you haven't already done so get your board together and send in your application. You surely don't want to be a "hitch hiker."

You'll be getting one more issue of the *News* before the annual meeting. How do

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you like it? It was more or less of an experiment the past year. Do you want it continued? Do you want it every month? You're the judge and jury! Well, so long. —C. O. Alexander.

Iowa's Largest

Company officials at the Rath Packing Company are highly pleased over the service the credit union renders to employees, and the workers, who have the advantages of pay-roll deduction, are equally pleased to be able to have their credit needs supplied by the savings of fellow-workers. The remarkable achievement is that the credit union, which during 1939 had receipts of \$566,000, has loaned nearly \$800,000 to members and its net losses from bad loans have been only \$361.47.

Waterloo is proud to be the home of Iowa's largest credit union.

The Filene Drive

The campaign to raise Iowa's quota of \$8,000 for the Filene Memorial is gradually taking shape. It is indeed gratifying to discover the manner in which this idea is taking hold.

Up to January 20th we had received cash and pledges amounting to \$470. By January 30th, this amount had been increased by nearly \$600, bringing the total to over \$1,000.

There are other groups which are known to have sizable amounts collected and pledged, but from whom we have no official word. The Des Moines post office with 400 members and assets of approximately \$70,000, have pledged \$400. Beyond a doubt this group remembers what Mr. Filene's generosity has meant to them.

Do You Have One?

An active educational committee would be of great assistance to the president and treasurer in planning annual meetings. This committee could be responsible for all the details in addition to assisting these officers with the general plan. It is hoped that by next year many credit unions will have such a committee composed of lay members who will aid in arranging bigger and better meetings so that the average member will know more about the objectives of the credit union and how to use his organization to achieve better results.

Top-notchers among those who had a large per cent of membership out to annual meetings, were: Ginsberg's employees of Des Moines, Stock Yards employees of Sioux City, John Deere employees of Waterloo, and Tribune employees of Ames. Hi-Way CU, Ames, Ames City employees CU, Armour employees CU, Sioux City, John Deere employees, Waterloo.

NEW YORK

By Sidney Stahl

Metropolitan District Chapter

The regular January monthly meeting of the Metropolitan District Chapter was held on Saturday afternoon, January 20th, 1940, at the Consumers Cafeteria Services in the Borough of Manhattan, City of New York. In line with the endeavor on the part of the Chapter Officers to make these monthly meetings of interest, as well as instructive, the afternoon meeting was spent at the "Movies."

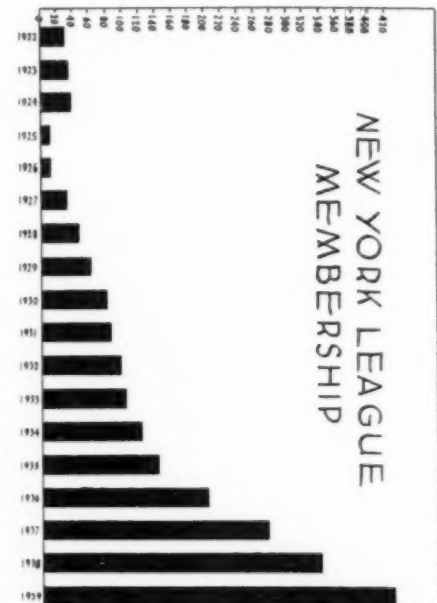
The Chapter meeting was held in conjunction with the annual meeting of the Greater New York Federal Credit Union (Officer's Credit Union), and at the conclusion of the said credit union meeting, the Chapter meeting was called to order. Most of the persons who attended the Greater New York Federal Credit Union meeting remained for the Chapter meeting, and in addition, Credit Union officials and representatives attended the Chapter meeting who were not present at the Officer's Credit Union meeting. In that way, a large gathering assembled at this Saturday afternoon Chapter meeting.

The program included the first showing in our Chapter of the film entitled, "The Lord Helps Those" is a film on the Co-operatives in Nova Scotia. The movie showed how the credit union members improved their economic conditions through the credit unions in Nova Scotia.

The Metropolitan District Chapter officers have tried to inject a "bit of spice" into these monthly Chapter meetings by offering variety. At the November 1939 monthly meeting the Chapter conducted a CREDIT UNION QUIZ and awarded prizes; at the December, 1939 monthly meeting, the Chapter devoted the meeting to the following guest speakers who spoke on the following topics: Matthew F. McAvoy, Assistant Deputy Superintendent of Banks who spoke on "DIVIDEND POLICY OF CREDIT UNIONS"; Henry Margolin and Alfred Jonas, Credit Union Section, who illustrated "CLOSING OF BOOKS AND PROCEDURE FOR THE COMPUTATION OF DIVIDENDS." So, it will be noted that at the last three monthly meetings the major feature of each meeting was a different type of subject matter to interest those who attended.

The credit union delegates and representatives who attended the Saturday afternoon meeting expressed their approval of this meeting which was conducted at the movies. It was generally agreed that a well selected forum for the exchange of cordial greetings had been provided. The pictures were instructive as well as entertaining, as they depicted activities of vital interest to all those who attended. Their meeting marked another happy and eventful enterprise on the part of this chapter.

IRWIN LEVINE.



Niagara Falls District Chapter

The January Chapter meeting was held at the Samovar Restaurant at Niagara Falls. Following dinner PRESIDENT HARGOOD introduced JOHN J. AMMERING, Rochester, 2nd Vice-President of the League, and WILBUR KIRTLAND, Buffalo, Federal Representative for the Western District, as guest speakers.

Mr. Kirtland spoke on the function and need for educational committees in credit unions. His address was very instructive and enlightening.

Mr. Ammering gave his usual inspiring talk on the value and need for credit unions to band themselves together, thru the State and National Associations, for their welfare and protection. He also urged those present to get behind the Filene Memorial Campaign, to erect the building which will house all the activities of the CUNA and its affiliates.

MR. CROTTY, Chapter Director, gave a very interesting review of the development of the movement at Niagara Falls. The first credit union was organized for the post office employees in 1926. At the close of last year 19 credit unions were operating with 4,000 members and shares of over \$300,000.

The remarks of all the speakers were warmly received and the meeting continued with a round table discussion. One of the questions posed was "What can be done with Credit Unions surplus funds?" Several valuable suggestions were made and everyone present again agreed that Chapter meetings were essential to credit union officials in order to bring the maximum service to their members.

Buffalo District Chapter

PRESIDENT CATOZZI, Buffalo, was the guest speaker at the Eleventh Annual meeting of the Jamestown Post Office Employees Credit Union held Saturday eve-

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ning, January 13th. Following a sumptuous dinner, L. J. NEWBERRY, President of the Credit union, introduced representatives from the five new credit unions organized at Jamestown. The Post Office credit union was the first one organized in 1928 at Jamestown, and OLIVER K. PALM, the Treasurer of the credit union, predicted that there would be at least 12 credit unions operating before 1941 comes over the horizon. MR. KIRTLAND, the federal representative, attended the meeting and discussed membership education. TREASURER PALM reported that the credit union had made loans totaling \$180,750.27 since its inception without sustaining a loss of one dollar. This credit union can be justly proud of this record and achievement.

A resolution was adopted for 17 subscriptions to the Bridge for the credit union officials and one complimentary copy for the Public Library at Jamestown.

Treasurer to Supreme Court

Samuel Raych, Director, reported that the Erie County Lawyers Credit Union was sending a S.O.S. call for a Treasurer. It seems that Governor Lehman in seeking a person to fill the vacancy in the Supreme Court of New York State went to Buffalo and chose HON. CHAS. S. DESMOND, *Treasurer of the Erie County Lawyers Credit Union. Governor Lehman is a credit union member* and it occurs to us that perhaps the selection of a credit union treasurer is a further indication that they possess the qualities of "human understanding" which is necessary in our courts of justice.

Biography—Charles S. Desmond

Born Buffalo, N. Y., 43 years of age, married, 4 children, educated Canisius College and University of Buffalo, admitted to Bar, 1920.

Trustee Erie County Bar Association, member New York State and American Bar Associations, Lawyers Club of Buffalo, Marshall Club, Phi Delta Phi fraternity, former member firm of Burke & Desmond, active practice and large experience in all State and Federal Courts.

Member State Board of Social Welfare since 1935, member of its Executive Committee and Chairman of its Legislative and Institutions Committees, member Family Committee of National Conference Catholic Charities, chairman of various committees, Buffalo Catholic Charities, member Executive Board of Buffalo Council of Social Agencies, member Board of Governors of the Catholic Diocese of Buffalo.

U. S. Marine Corps Flying Force, 1918, member American Legion and Navy League.

Active Democrat since 1919, at various



CHARLES S. DESMOND
N. Y. Supreme Court
Justice

times Chairman of Law Committee, chairman of Speakers' Committee, member Board of Governors, etc., of Erie County Democratic Committee, radio speeches, etc. Buffalo member of 1936 Statewide Citizens Committee for Governor Lehman's re-election.

Lectures—Labor College of Buffalo.

Never held public office except membership on State Board of Social Welfare, and secretary for one year (1924) to Supreme Court Justice.

NEW MEMBERS

The new year brought us several members. We anticipate receiving a great many more following the annual meetings. A cordial and hearty welcome to the following:

Esperia Credit Union, Bronx, N. Y.
Sheffield Farms Empl. L. I. City FCU, Long Island City.
Bronx Veterans Facility Empl. FCU, New York City.
Sheffield Farms Employees (Bay Ridge) FCU, Brooklyn, N. Y.
Albany Packing Empl. FCU, West Albany, N. Y.

CREDIT UNIONS ORGANIZED

Last month we reported that 109 credit unions were organized in 1939. If January is any kind of a barometer, we should organize twice that many this year. Here are the sixteen acorns which will grow into mighty oaks:

Metropolitan District Chapter

Anceap Empl. FCU, Long Island City
Associated Water Companies Credit Union, New York City
Custom Guards FCU, New York City
Garment Carriers FCU, New York City
Transport East Side & Comprehensive C. U., New York City

Buffalo District Chapter

B.C.E.S. FCU, Buffalo, N. Y.
Blue Ribbon FCU, Buffalo, N. Y.
Firemen & Oilers Local No. 253, FCU, Buffalo, N. Y.
Jamestown Teachers FCU, Jamestown, N. Y.
Jamestown Transportation Empl. FCU, Jamestown, N. Y.
St. Rose of Lima Parishioners FCU, Buffalo, N. Y.
UCLD Employees FCU, Buffalo, N. Y.
Watson FCU, Jamestown, N. Y.

Syracuse District Chapter

Continental Can Employees FCU, Syracuse, N. Y.
Hotel Syracuse Empl. FCU, Syracuse, N. Y.

Schenectady District Chapter

Schenectady G. E. Pattern & Foundry Empl. FCU, Schenectady, N. Y.

FOUNDERS CLUB

We recently received from Orrin Shippe, Cuna Educational Director, a record of the members of the Club coming from New York. We know of many credit unionists who assisted in the organization of new credit unions and are entitled to membership in the club. We would like to see every credit union official in this State a member of "CUNA LEGION" and

ILLINOIS

By Frank C. Dean

Enthusiasm in a New Chapter

THIS subject requires more than the hasty or superficial attention it has so far received. Ideals are fine, dreams are essential to the constructive work in the chapters, but these must be intelligently used.

In a new chapter, to meet with ultimate success, a definite educational program must be set up. This program must be necessary, and will be a slow and tedious job, depending upon its growth, development and experience.

The above two paragraphs, I believe, are the principles of Credit Unionism, as set forth by the founder of the Credit Union movement, Mr. Filene.

The enthusiasm of our founder, Mr. Filene, in the interest of his fellow men, is one of the fundamental principles upon which the Credit Unions and Chapters are based, and we, as fellow governors, should at all times be keenly interested in the welfare of our chapters and credit unions, which are organized for our own mutual benefits.

The mere fact that you are just a governor should not deter you from being at all times enthusiastic as to the success of your chapters, or your own credit unions.

The organization of local chapters brings together any number of local credit unions, in friendship and cooperation, in the working out of problems, characteristic of their individual credit union, and makes a stronger organization to cope with these problems.

The Chapter's ardor of mind is to transmit ideas to other minds in the light, as we see them. The big job is the art of making ourselves understood rightly, and helping others to appropriate new view points, when presented.

So it behooves each and every one of us, as leaders, to think and think clearly, if we wish to keep the priceless gift of our great Benefactor, Mr. Filene.

Enthusiasm means elevation. Elevation means a sketch plan of the front or principal side of building, which reminds the chapter of the plans we have to lay to build the principal side of a good chapter to promote better Credit Union practices.

GEORGE P. B. WERNER,

Past President,

Southeast Cook County Chapter.

would suggest that you communicate with the League office for further details. If you have already assisted in the organization of a credit union and did not receive your credentials as a bonafide member of the "Founders Club," contact Sidney Stahl promptly.

News of State Leagues

CONFUCIUS SAY: "SMILE
CATCH-UM!"



PRESLEY HOLMES
Son of Cuna's Treasurer, Pres. D. Holmes

Chapter Program—Interest Revived An Entertaining Plan Used

At a meeting of the Southern Illinois Chapter of Credit Unions a new type of program was used called the CREDIT UNION QUESTION BOX, and because it proved so successful I am outlining the program so that it may be used by other groups. This program will create more interest in the Chapter and can be continued from month to month. Also those attending will study up on their by-laws and credit union procedure.

Following is a brief outline of the program:

(1) Prepare 50 or 60 questions pertaining to Credit Union By-laws, procedure, the National Association, the Farm Credit Administration, the BRIDGE, etc. Questions should be typed on long typewriter paper, making at least two carbon copies to be used by the judges of the contest. The original copy should be cut up so that only one question will appear on each piece of paper and placed in a box or container. The correct answers should be typed beneath each question on the carbon copies to be used by the judges.

(2) Appoint three persons as judges of the contest who will keep score based on 10 points for each correct answer.

(3) Appoint a master of ceremonies, a person very familiar with credit union by-laws, procedure, etc.

(4) Appoint or elect six persons as contestants from those present. Contestants will select one question at a time from the box and will hand it to the master of ceremonies without reading it. Master of cere-

MINNESOTA

By V. S. Peterson

FILENE MEMORIAL CAMPAIGN GETS UNDER WAY

By N. J. Pelletier

The spirit of our folks in Minnesota towards the Filene Memorial is so vividly expressed by the following excerpts taken from letters received that I am not going to attempt writing anything else. Knowing Mr. Filene, as we boys in the Minnesota Postal Employees Credit Union had the privilege of knowing him, you can readily understand that our group is happy that we have been given an opportunity to do our bit to carry on a job which only a man of Mr. Filene's keen social vision would attempt. In building FILENE HOUSE, I am sure we are doing just what our great founder would be happy and proud to have us do.

Dear Mr. Pelletier:

Enclosed please find our check for \$50.00 as our contribution to the Filene Memorial Building Fund. All our officers and committee members are fully in sympathy with this program, so it was not very hard to win our membership, and we voted this amount at our annual meeting on January 16th, 1940.

We all appreciate the wonderful work and sacrifice that Edward A. Filene has made for us—and we can assure you of our heartiest support in this great Memorial Fund. Wishing you and your committee the greatest success, I am

Yours sincerely,

George L. Pinther, Treas.
Interlake Employees Credit Union, Duluth.

Enclosed you will find check to cover the enclosed pledge cards amounting to \$77.25.

Hope you have fine responses to this fund.

W. A. Pike, Treasurer.
Virginia Education Association Credit Union,
Virginia.

I am enclosing a check for \$13.70 as a small appropriation towards the Filene Memorial. We sincerely wish that it were possible to give ten times this amount for such a worthy cause but financially our small credit union cannot stand it at this time.

Again we wish to express our sincere willingness to give in this small way to such a me-

monies will read question aloud and contestant will give answer. If answer is not correct the audience may be called upon to give the answer. Each contestant should be given six or seven questions each.

(5) Closing of contest and awarding of prizes by judges to the winners. (Suggested prize—Gold Credit Union Pin.)

A prize can be offered to the person sending in the best list of five questions to be used in the contest each month.

(Mr. Marion Gregory, treasurer of Swift Credit Union, of East St. Louis, called our attention to this matter. This is one of the most progressive chapters in Illinois; 1600 subscriptions to BRIDGE have been received from it since August; Leonard Ingram, Armour and Marion are League directors. Marion is also a National Director.)

monial honoring one of our country's most outstanding men.

B. L. Greengo, Treasurer.
American Gas Employees' Credit Union,
Albert Lea.

You will find enclosed a check for \$140.50 for our contribution to the Filene Memorial.

I obtained this money by personal solicitation of the members and they responded so generously that I would like to have you write a letter to them if it is in order.

Virginia Dobson, Treasurer.
Northern Employees' Credit Union, Minneapolis.

We are enclosing the contributions of our members towards the Filene Memorial Building Fund, amounting to \$61.10. This represents contributions from over seventy-five percent of our membership.

We extend our sincere wishes for your success in reaching the goal set for Minnesota.

Mabel E. Loveness, Treasurer.
Land O' Lakes Creameries Employees Credit Union, Minneapolis.

I am happy to inform you that the members of the Swift's South St. Paul Employees Credit Union, at their annual meeting held Monday, January 15, 1940, voted to contribute \$1000.00 to the Filene Memorial Fund.

We trust that this action meets with your approval.

C. W. Lindstrom, Treasurer.
Swift's South St. Paul Employees Credit Union,
South St. Paul.

The above is just a cross-section of the many fine letters received—what a fine spirit they indicate. Below is the financial report of money received by the committee treasurer, Eddie Brose from credit unions listed:

Moose Lake	Moose Lake..\$	1.00
Associated Negro	Minneapolis..	2.00
Fitger Employees, Federal..	Duluth	5.00
Gold Medal	Minneapolis..	5.00
Pure Oil	Minneapolis..	5.00
Swift & Co. Branch House		
Employees	Minneapolis..	6.20
Cooperative Oil	Albert Lea..	7.00
Inver Grove (R.I.L.)	Inver Grove..	7.00
John W. Thomas	Minneapolis..	9.00
Sanitary District	St. Paul....	10.00
Clover Leaf Cr'y Employees..	Minneapolis..	12.00
American Gas Employees...	Albert Lea..	13.70
St. Paul Western Union....	St. Paul....	14.00
United States Engineers		
Employees	Duluth	14.75
S. R. Sikes Employees.....	Minneapolis..	20.00
Omaha Ry. Mpls.	Minneapolis..	22.75
Leaf Bros. Employees.....	Minneapolis..	25.00
Marshall Wells Employees..	Duluth	25.10
Olmsted County Postal		
Employees	Rochester ...	26.00
Floodwood Cooperative ...	Floodwood ..	26.30
Emrich Employees	Minneapolis..	29.00
Twin City Milk Producers...	Minneapolis..	33.00
Jefferson	Minneapolis..	42.00
Interlake Employees	Duluth	50.00
Land O'Lakes Creameries		
Employees	Minneapolis..	61.10
Fairway Employees	St. Paul....	75.00
Duluth Telephone		
Employees	Duluth	25.00
(This C.U. voted an additional \$50 to be paid in 1941 and 1942.)		
Northrup King Employees..	Minneapolis..	76.75
Virginia Education		
Association	Virginia	77.25
Heidbrink Employees	Minneapolis..	90.00
Duluth Federal Employees..	Duluth	100.00
St. Paul Telco.	St. Paul....	100.00
Northland Employees	Minneapolis..	140.50
Franklin Cooperative	Minneapolis..	150.00
City & County Employees..	St. Paul....	165.10
Soo Line	Minneapolis..	200.00
Duluth City & County		
Employees	Duluth	200.00
League	St. Paul....	500.00
Minneapolis Postal		
Employees	Minneapolis..	1,372.00

News of State Leagues

Mr. Bergengren was a guest speaker at the annual meeting of the Twin City Oil Co-ops Credit Union the other evening. We took the occasion as an opportunity to present him with the first check from Minnesota Filene Memorial Committee in the amount of \$3,500.00. Later, that evening, the members of the Twin City Oil Co-ops Credit Union voted a contribution of \$150.00 from their undivided earnings account.

Yes, Minnesota will make its quota!

Duluth Fire Department Credit Union

It is encouraging occasionally, to take the time to analyze the job some particular credit union has done for its group of members. It happened the other day, while in Duluth, I found Treasurer John J. Jeanetta—on his day off—at work in the credit union. He was in a reminiscent mood so it was a pleasure for him to discuss the job they had done since the credit union opened for business in 1932.

If one could only paint a word picture of this man Jeanetta, it would add so much to this little story—he's a character—dark eyed, restless, quick, energetic, convincing, capable, hard working. The credit unions provides a channel which gives an outlet to his idealism—the love of and trust in your fellow man—which is one of the fine inherent qualities in us all.

Like John, the money entrusted to his care *works hard*, as the December 31 statement shows. Incidentally notice the *simplicity* of the closing statement of this credit union.

"Our boys expect the dollars they put in the credit union to put on overalls and go to work" says John—and work it does! 147 fire department employees belong to the credit union, which is nearly 100% of those eligible.

\$138,000.00 has been loaned out during the seven years of operation on which \$11,782.24 interest was earned. \$43.00 has been collected in entrance fees making a total earned income of \$11,826.24. \$3,235.59 of this has been used for expenses, \$1,003.78 paid to members as interest on deposits at the rate of 4%, \$3,355.44 paid to members as dividends on share accounts at the rate of 6% and \$4,231.43 is still in the credit union's undivided earnings and reserve fund! No losses have been incurred on bad loans.

It takes teamwork to do a job like this—a good treasurer, a good board of directors, effective credit supervisory committees and an informed membership. Orchids to the Duluth Fire Department Credit Union.

DECEMBER 31, 1939—After Closing

RESOURCES	
Personal Loans.....	\$24,828.75
Cash in Bank.....	65.28
	\$24,894.03
LIABILITIES	
Shares.....	\$16,124.65
Deposits.....	3,747.74
Dividend Payable.....	790.21
Undivided Earnings.....	3,009.96
Reserve Fund.....	1,221.47
	\$24,894.03

THE BRIDGE—March, 1940

CALIFORNIA

By James W. Brown

1940 CALIFORNIA LEAGUE CONVENTION

You've been to conventions, and you've heard about conventions! But you ain't seen nothing yet, if the boys down in Los Angeles can be believed! Hollywood is the place, the Roosevelt Hotel is headquarters, and March 15, 16, and 17 are the days.

Friday, March 15th

They have already furnished us with a preview of the program, and from all indications, it carries plenty of convention dynamite. Registration starts at nine o'clock Friday morning, immediately followed by the first meeting of the convention. Mayor Bowron of Los Angeles, is to be the honored guest at this meeting, where most of the preliminary business will be cleared away. Luncheon follows, and then comes a treat for both the ladies and the gents.

Ladies, Attention!

The ladies will gather 'round the corner at the world-famous Max Factor Studio, where they are promised a full afternoon of intriguing adventure in the "Land of Make-up." In addition to a view of all the manufacturing steps from raw material to creams, lotions, powders, and rouges as finished products, make-up artists will demonstrate their art on our own credit union conventioners, female only.

Gentlemen, Read!

While the missus is being transformed from her own beautiful self to a lovely Hollywood creation, papa will be demonstrating his ability on the golf course, under the admiring scrutiny of the Golf Tournament Judges. These fellows will be standing around with their arms crammed full of trophies, just waiting to unload them on the lucky winners. The Los Angeles City Employees F. C. U. has thunk this tournament up all by itself, and when last heard from were completing plans for an outstanding event.

Discussion Groups

Seven-thirty Friday evening, finds the mister and missus reunited at the Roosevelt, and ready for the group discussions. Four groups, in separate auditoriums, will conduct Blitzkriegs on credit union problems. Be you treasurer, director, officer, or committeeman, you will find a niche in one of these groups with ample opportunity to air your pet ideas.

Saturday, March 16th

Saturday arrives, just as sure as the credit union movement has already arrived! A get-together breakfast in the Florentine Room of the Roosevelt Hotel starts the day right. Our guest will be a credit union member known to every man, woman and child in the U. S. A. 'Nuff said!

Business Meeting

At ten o'clock comes the second business meeting, where such important details as committee reports, nominations of officers, and 1941 convention location, will be decided. Immediately after lunch, we will all go to the polls, where we will choose our state officers for the year. (Lucky citizens of a democracy!)

Then we take a sight-seeing trip through a Hollywood Studio, and this is our chance to get out in public in full force, and show Hollywood a little about the size and zeal of the credit union movement.

Banquet

The really big event is next in order. This is our Grand Convention Banquet, in the Roosevelt's beautiful banquet room. We'll have music and entertainment, with Governor Olson and Mr. Orchard expected as our guests. This is going to be good enough to broadcast on the air, and probably the folks at home will be able to hear you cheer the speakers.

After the banquet comes the floor show, featuring a well-known orchestra, with dancing by all until the wee hours.

Sunday, March 17th

Sunday is the wind-up day, with its breakfast, group discussions, closing business session, and luncheon, presided over by the new president, after which we fold up our tents and trek homeward to our own credit union, tired but pleased with three days well spent.

You have wanted to visit Hollywood, and now you can. Don't miss this event! If you believe in the credit union, you will never, never regret that which you have lost by being absent!

H. S. EATON,
Los Angeles Police Credit Union.

[Not boosting Southern California (we wouldn't do that), but if the above intriguing picture appeals to any other state league or even the National Association, we will be glad to arrange a meeting for the group in summery, sun-kissed Southern California. Just write us and we'll send you road maps, Chamber of Commerce literature, prices on cheap lots, etc. After you're here once you will all move west and we'll make Los Angeles the credit union capital of the United States. —J. W. B.]

"We are creatures of habit. We succeed or we fail as we acquire good habits or bad ones; and we acquire good habits as easily as bad ones. Most people don't believe this. Only those who find out succeed in life."—Herbert Spencer.

WASHINGTON

By H. B. Hickey

Perspective and Prospective

1940 FINDS our Credit Union streams flowing into ever widening fields in the United States. In 1921, 190 Credit Unions. Today more than 8,200. In Washington in 1934, scarce 10 such groups. In 1940 over 190. Mr. Powell of the Farm Credit Administration reports 43 Credit Unions in our State operating under Federal Charter. Mr. Kuehl, President of the Washington Credit Union League reports 147 under State supervision. The organization of this latter number, 147, is due to the interest, activity and sacrifice of the various members, past and present, of our State League, plus the influence and funds furnished by the steadily increasing members of our state body, now recorded as 140, or 70%, of our chartered groups.

To the above should be added, were it not for Mr. Filene and his national organization, there would not be today a Federal Credit Union Act. Yet our critics say our organization costs too much or, what do we get out of it! It was much the whole truth spoken by the old critic when he said, "we know the cost of everything and the value of nothing."

Our Largest

STARTING six years ago, 7 men put in \$5.00 each and below is a partial report of the City Employees Credit Union of Seattle.

Members	1,400
Loans outstanding.....	\$281,409.42
Investments	44,584.44
Cash	38,946.99
Equipment, etc.	3,648.89
Loans to other Credit Unions..	5,000.00
Other assets	1,490.09

Total assets\$375,079.83

The above Credit Union will pay in dues to our State League in 1940 nearly \$1,000. This is loyalty to an ideal that can be appreciated but not expressed.

Washington Central Credit Union
Annual Report (Partial)

OWNED and operated by and for the Credit Unions and Credit Union Directors of the State of Washington.

<i>Assets</i>	
Cash	\$ 1,940.47
Loans	29,274.67
Equipment	153.38
Shares in other C. U.....	3,895.77
Total	\$35,272.29
<i>Liabilities</i>	
Shares	\$27,508.56
Borrowed money	6,250.00

So—Heigh-ho, Heigh-ho, the Credit Unions grow,
From East to West, from North to South,
Heigh-ho, Heigh-ho, Heigh-ho.

AMONG OTHER THINGS, President George M. Flood of the St. Johns (N. B.) District Chapter wrote as follows a short time ago:

"THE CHAPTER has a statistical committee which has proven an added method of promoting membership participation, which is so essential to Credit Union development.

ANOTHER committee of the Chapter is the Promotional Committee. This group draws its members from the ranks and trains them to give short talks on various phases of Credit Union principles. All enquiries from new groups interested in Credit Union are turned over to this committee and many of the new credit unions are the results of their efforts.

STUDY GROUPS of Directors, Credit men, treasurers and supervisors are arranged under the conensorship of the Chapter. At these meetings, operating methods and ideas are exchanged to the mutual benefit of all.

THOSE OF US who have been in close touch with the development here believe that the Chapter is the greatest medium for the consolidation of existing credit unions and the promotion of new unions in a given area. It provides that contact between Credit Union and between members which is so essential. It is that common ground on which all can meet to assist in the solution of common problems. It provides a source of information which is readily available to new groups and above all it is the place where one soon learns that the other fellow isn't such a bad guy after all and that his problems are pretty much the same as our own.

AN INCIDENT which indicates the interest taken in Chapter affairs: During the course of the last Chapter meeting, the alarm was given for a practice black-out by the military authorities. These black-outs are a precautionary measure against air-raids and all lights must be extinguished when the alarm is given. It is rather weird to sit in the dark for 10 min-

utes, however, it is interesting to note that the debate on League and Cuna membership continued during the black-out period. Apparently wars, air-raids, and the like do not dampen Credit Union enthusiasm once people become infected."

Something to Study

THE future of the study groups is, at the moment, very much up in the air. While PICU and the Harvey Credit Union are co-operating to put on an educational program once a month, this is hardly enough. But the fact that Canada is in a state of war complicates the problem to a considerable degree. The average citizen finds his normal activities and interests are affected by abnormal conditions of the times. Time and effort, which might ordinarily go into a study of the things making for peace and prosperity, have been called to the colors. The exigencies of the moment overshadow the necessities of a thoughtful probing of the future.

However, it should be again pointed out that the need for thinking out our problems intelligently is even more pressing in times of stress and strain than it is when circumstances are more benign. The fact that war itself creates new problems in the lives of every one of us should send us scurrying for the knowledge of how they may be met and conquered. And knowledge cannot be gained without study; and study, in turn, requires time and effort.

Too, it may be timely to observe that inasmuch as we are engaged in a war to save democracy, it is common sense to pay some attention to the preservation of those items which go to make up that great abstraction we call democracy. It is tragically pointless to claim we have won a war if in the process we have lost our freedom. It is a miserable discovery if we find that in fighting fire with fire we have kindled a holocaust which consumed our dearest possessions. People have been a long time developing the instruments of democracy and learning how to use them. It will be a sad day when we discover that in a war to preserve the idealism of democracy we have lost the means of its practical application.

A program of study will be worked out if enough members take an interest in the work sufficient to warrant its success.

From "Points" put out by the Printers Industrial Credit Union of Windsor, Ont.

As We Saw It

THIS poor scribe has long preached the doctrine that if working folks want done those things which it is to their interest to have done, they will have to do it themselves. As a matter of fact, he has preached it so long, so often and in so many different places that people almost cower when

(Continued on page 69)

Guarantee fund	538.07
Accounts payable	7.25
Dividends payable	575.30
Surplus	393.11
Total	\$35,272.29

The above Credit Union was organized in February, 1937, to serve the Credit Unions and Directors as a Central Bank. After two years of operation this is a splendid report and we congratulate Mr. Andrus and his Directors for the service and structure they have built.

Buying on "Easy Terms" A Gentleman Keeps a Diary

(Waterbury Credit Rating Bureau—1936)

Jan. 4—Bought a car today. Very easy terms, very fine car, with cigar lighter on dash. Should finish payments in 18 months.

Feb. 4—Paid installment due on car. Bought a radio set on easy terms. Fine set, payments will be small and monthly.

Feb. 11—A little late with car payment this month: will have to let radio payment go over until April, as I bought a set of books and paid \$11.00 down. Very fine books. Everybody should have this set of books.

Apr. 15—Borrowed \$50.00 from the Boss to meet car payment. The radio man came to take the radio, but we put out the lights and were not home. The chump hung around the entire evening, so I couldn't see to read the books.

June 1—Borrowed \$100.00 from Uncle George to pay the \$50.00 to the Boss and to meet the car payment. Got a little behind on the book payment because I bought a piece of land in a new real estate development. This land ought to jump in value. Paid \$50.00 down.

July 15—Somehow I don't miss the radio set much. And you can get plenty of books from the Public Library. The thing that hurts is that Uncle George should be so mean. Of course I told him I'd pay back the \$100.00 on July 1, but you can't do the impossible, can you? Trying to arrange a character loan from the bank. If I can borrow \$250.00 I can get square and everything will go fine.

Aug. 15—Bank says, after getting report from Credit Bureau, that I have no "Financial Character." What a bunch of crooks.

Sept. 30—Garage man is holding car for labor bill. What right has he to hold the car, it doesn't belong to me.

Oct. 1—It wasn't any use. I had to let the car go. Anyway, I'd rather have that piece of land. They've given me a month's grace on that.

Nov. 15—Well, they can have their old land. Good riddance. If I knew where to get \$30.00 to meet the payment on piano, I'd be all right. Bought a new automobile today on the "Pay out of income" basis.

Dec. 15—Income stopped. Got the sack at the office. In looking for a job you've got to have a suit of clothes, so I bought one this afternoon. \$5.00 down. Not so bad.

(Ed. note)

Moral: Finance your plans the Credit Union Way.

—CONN. CREDIT UNION NEWS.

"Who are those people doing all the cheering?" asked the recruit as the soldiers marched to the train.

"Those," replied the veteran, "are the people who are not going."—*Staley Journal*.

THE BRIDGE—March, 1940

THE END OF TEN LITTLE MOTORISTS

- 10 little motorists, driving in a line; one tried to pass the rest . . . then there were nine.
- 9 little motorists, sadly I relate, one passed a traffic stop . . . then there were eight.
- 8 little motorists, young and very deft; one tried to show much skill . . . seven then were left.
- 7 little motorists, touring the stix; one failed to dim his light . . . then there were six.
- 6 little motorists, very much alive; one failed to see a train . . . then there were five.
- 5 little motorists, driving in the rain; one skidded on a curve . . . four now remain.
- 4 little motorists, coming from a tea; one faced about to chat . . . then there were three.
- 3 little motorists, this is sad but true; one slumbered from fatigue . . . then there were two.
- 2 little motorists, racing just for fun; one passed a crest . . . then there was one.
- 1 little motorist, though it's seldom done, lit a match to gauge his tank . . . now there are none.

—"Watauga Spinnerette"

WHAT ABOUT IT?

(Continued from page 55)

"Membership in this Association is limited to those who are EMPLOYED BY ARMOUR AND COMPANY, IN THE CITY OF OMAHA AND THE STATE OF NEBRASKA."

Should this By-law be amended to include these three employees?

ANSWER: Yes. It is always well that the Credit Union include in its membership those persons who are its employees.

NEWS FROM CANADA

(Continued from page 68)

he comes in sight, fearing he may harp on the same old strident string some more.

Just the same, under cover of the darkness, he had the extreme pleasure of indulging in numerous smiles of self-satisfaction and mental I-told-you-so's as the story of "The Lord Helps Those" was reeled off at Blessed Sacrament Parish Hall.

Here was the evidence of something tangible developing step by step out of the every-day efforts of people, poor and plain, but innately intelligent and the salt of the earth withal. Here is something which has not been subsidized by either governmental or philanthropic agencies. Here is leadership that came originally from the people themselves—for St. Francis Xavier is not a rich university, nor is it heavily patronized by the affluent and mighty—and which continues to be developed from among those who are on the job day after day.

And it wasn't necessary to have a political revolution to accomplish these things, either. The only revolution to take place was the one which occurred in the minds of certain men and women—and that, be it known, is the proper place for revolutions to happen.

From "Points" put out by the Printers Industrial Credit Union of Windsor, Ont.

At Easter time and all the time It pays to Advertise!

Do your members *know* what the Credit Union can do for them? To help your Credit Union serve its members more effectively at Easter time we offer a poster—in bright Easter colors—for bulletin board use. It is 14x10½ and sells, in single copies, for a nickel.

It is one of a series of thirteen posters of similar size and in colors which set sells for sixty cents and, used throughout the year, will help your Credit Union sell its seasonal services. The subjects of the posters are:

Vacation
Consolidation of bills
Thrift promotion
Automobile purchasing
Accounts for medical care
Easter purchasing
Cash buying
General credit
Coal buying
Christmas shopping
Miscellaneous credit uses
Value of budgeting

The 13th poster is a combination of 10 of them on a single sheet, each one reduced to 4½x2½. We produce these posters also on cards of this size (4½x2½) for pass book insert advertising. They sell for 50 cents per 100.

PICTURIZE YOUR CREDIT UNION!

Let the Members know what the Credit Union can do!!

Contact Your State League or

**CUNA SUPPLY
COOPERATIVE**

Railfeisen House

Madison, Wis.

LOS ANGELES POLICE FEDERAL CREDIT UNION

(Federal Charter No. 1452)

Room 56, City Hall, Los Angeles, California

December 30th, 1939

CUNA Mutual Society,
Madison, Wis.,

Gentlemen:

This is to acknowledge receipt of the following checks:

No. C-2879 acct.....deceased	\$334.94
No. C-2963 acct.....disabled	137.50
No. C-3030 acct.....deceased	582.26
No. C-3044 acct.....deceased	223.00

These claim settlements, all received during December, and totalling \$1,277.70, illustrate perfectly our good luck in being a member of CUNA Mutual Society. Listing these checks causes me to wonder why any credit union, regardless of size, would hesitate in taking CUNA loan protection without delay.

We have been a member of CUNA Mutual Society less than a year and up to a month ago, we were having the average number of deaths, with the claims being promptly settled by your office. On Nov. 1st, we would have never guessed that in this short period of time, we would receive checks from you totaling \$1,277.70. Without this coverage, the situation would have been difficult, to say the least.

We consider exceptionally fair, your settlement of \$137.50 in the..... disability case. We received the settlement on Christmas Eve, and the members of our department had already prepared a Christmas basket for delivery to the..... family. I personally delivered the basket, the cancelled note, and a check for \$58.42 to Mr. and Mrs..... Christmas, 1939, will live forever in my memory, and so it would in yours, if you could have been present in that little room with me. Mr. asked that I convey to you his thanks for changing Christmas from just another day, to the real thing, for his wife and children.

A Happy and Prosperous New Year from us to the entire office force.

Sincerely yours,

L. A. Police Federal Credit Union
By (Signed) H. S. Eaton, Treasurer

CUNA Mutual Insurance, Madison, Wis.

"A Credit Union Owned Service"

THE PRESIDENT'S COLUMN

(Continued from page 52)

Boston, Sunday, January 14th, in conjunction with the Massachusetts Cuna Associates Annual Meeting. The managing directors expressed themselves as being very much in favor of the plan as it resulted in the beneficial exchange of many ideas and methods and the laying of ground work for another proposed regional setup. The participants stated that these conferences were desired twice a year and that they wanted another one next October."

I believe it may be seen from the foregoing that the Educational Unit is very much on the job and given sufficient time to soundly determine and establish needs and the answers thereto will do a splendid job.

Meetings, Outstanding

Many other important matters were considered at both the Executive Committee meeting and at the Cuna Mutual Board meeting, details of which will no doubt be sent out by the Managing Director. The two meetings were, I believe, the most constructive that it has been my pleasure to attend. Many problems were considered and in most cases worked out in a sound and practical way or were made ready for presentation at the next annual meeting.

Read Cliff's Article

Those of my readers who have not already read the article by Cliff O. Skorstad, Western Field Representative of the Contact and Organization Department, in the February issue of the Bridge should lose no more time in doing so. It is a splendid exposition of what can be done and what needs to be done in the rural areas.

CUNA IN THE FIELD

(Continued from page 58)

credit union begins to function. Records indicate that an average of 20% to 25% of the members exercise their rights by attending and voting at these meetings. This strikes me as not bad but not good enough. One man one vote and every man voting should be our slogan if we are to keep our control over our own affairs in this movement.

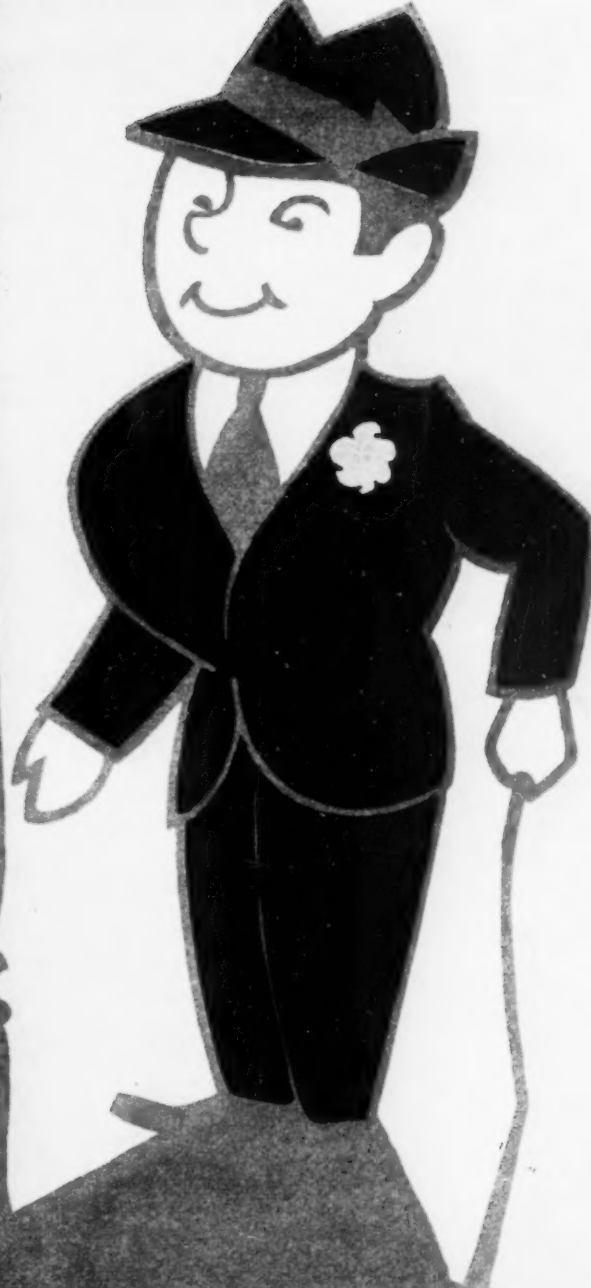
FRIENDSHIP

Friendship needs no symbol,
Or vow to make it whole;
It's just a sacred covenant
That's locked within the soul;
It knows no creed or station,
Or thought of gain or fame,
For what it does is sacred,
And is done in Friendship's name.

THE BRIDGE—March, 1940

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SEE YOUR CREDIT UNION TREASURER TODAY!

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"Every man has two educations—that which is given to him, and the other, that which he gives himself. Of the two kinds, the latter is by far the most valuable."

—Richter.

The pages of THE BRIDGE are replete with knowledge of the movement.

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